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*** Four Nations Renew 1984 Cooperation Accord**
34000496a Enugu DAILY STAR in English
1 May 89 p 13

[Article by Chuks Nwosu]

[Text] At the prompting of Ghana, the second ministerial session of signatory states to the quadripartite agreement signed in 1984 by Heads of States of Nigeria, Ghana, Togo and Benin Republic met in Accra recently. The meeting which was informed that uneasy calm now prevails in the sub region, was well attended.

To show how disturbed the delay of the agreement since their Excellencies appended their signatures to give birth to it in Lagos in 1984, and how committed they, the ministers are at seeing the resurrection, the foreign minister of Nigeria—Major-General Ike Nwachukwu led a four-man delegation to answer the call by his Ghanaian counterpart, and PNDC [Provisional National Defense Council] Secretary for Foreign Affairs, Dr Obed Yao Asamoah and seated on the same round table where Mr Yaori Adodo, Togolese Minister of Foreign Affairs and Cooperation, Mr Guy Lanry Hazourne, Minister of Foreign Affairs and Cooperation of the Republic of Benin, Mr Nii Adamafio, PNDC Secretary for Interior, and Mr Eodehulgar, Minister of Interior, Benin.

During the three days meeting, the ministers assisted by their experts, viewed the implementation of the agreements signed by the Heads of States of the friendly states in December 1984. The foreign ministers dwelt on extradition treaty, agreement on police cooperation, agreement on mutual administration assistance in matters relating to customs, trade and immigration.

The harassment of nationals of signatory states by their counterparts was reviewed as one of the factors heightening tension in the sub region. The ministers deliberated with concern, ways and means of eradicating this harassment, to ensure that the aim and objective of the agreement are felt at the grassroots.

Problems of good neighbourliness and coexistence between member states have been seriously punctured by recent developments, the ministers insisted that the move is the sine qua non to peace in the region. They expressed regret that the quadripartite agreement had remained largely unimplemented, resulting to the numerous loopholes and reaffirmed their desire and preparedness to implement them and to ensure that the co-operation envisaged under these agreements would be active and dynamic in future. In this respect, they called for closer co-operation amongst the customs, police, immigration and other law enforcement agencies of the signatory states.

On practices impeding good neighbourliness and co-operation, the meeting took note of the declaration made by Ghana and Togo concerning sub regional security and decided it was better to leave the bulk to the Heads of States of the quadripartite states to pass. The ministers renewed their determination to institute measures to eradicate the harassment of nationals and not just leaving it on paper work.

The four ministers and their experts insisted that the ECOWAS [Economic Community of West African States] Secretariat must expedite action on the issue of ECOWAS travel document so as to facilitate the free movement of nationals within the ECOWAS states and reduce the incidents of harassment to the minimum. They also called for a massive education of security agencies and paramilitary personnel and other officials of the states who come into direct contact with nationals of other signatory states.

The committee saw trading activities amongst member states as a ready-made measure towards enhancing the export potentials of the members and viewed with serious attention the danger tariff and non-tariff barriers have been posing to free flow of trade in the states and called for the removal of tariff and non-tariff barriers in order to promote and enhance trade. Against this background, they agreed to optimise the use of barter, as well as the West African clearing house.

They condemn in no uncertain terms, the recent practice of using our back yards as a dump for toxic wastes. With a unified voice, they agreed to institute effective legislation to prohibit the practice and punish offenders.

They further re-affirmed their commitment to the implementation of the protocols of ECOWAS, relating to the free movement of capital, goods and services, the right of establishment and residence.

That the signatory states turned around to give breath to the five year old forgotten quadripartite agreement showed it's importance to the citizens of the region. The benefits of such agreements are often overwhelming and no reasonable government would allow such a golden opportunity slip off its hands. The government and people of the signatory states are favoured.

This is why anxious citizens of the states whose heads of states gave authority to the agreement via their signatories hailed the recent Accra rebirth meeting of the four ministers. The accord must live, but not on the detriment of Nigeria, as it is now discovered that while we play the big brother role, others who are recipients of our kind gestures turn around to pinch us in the smallest thing.

Congo

* **Poungui Addresses National Economic Issues**
34190182b Paris JEUNE AFRIQUE ECONOMIE
in French Mar 89 pp 38-39

[Interview with Ange-Edouard Poungui, prime minister of the Congo, by Christine Coste; date and place not given]

[Text] Ange-Edouard Poungui, prime minister of the Congo since 8 August 1984, has granted JEUNE AFRIQUE ECONOMIE an exclusive interview. Former deputy director of the Bank of Central African States (BEAC), general director of the Central Bank of the Congo, and a member of the Political Bureau of the Congolese Labor Party (PCT), he provides a lucid analysis of the economic situation in his country.

[JEUNE AFRIQUE ECONOMIE] The Congo has just celebrated the tenth anniversary of 5 February 1979, marking Denis Sassou Nguesso's accession to the presidency. If you were to draw up an economic and political balance sheet of the decade, what are its successes and failures?

[Poungui] As you know, my country's economic situation remains dominated by the crisis and its recessionist effects on the national economy as a whole. During that period, we executed a 5-year plan for 1982-1986 with three objectives: to open up the country to the outside, promote the productive sector, and rehabilitate national enterprises.

While the record is very satisfactory as far as infrastructures are concerned, it is average for the productive sector and mediocre for rehabilitation of the national sector. The fact is, as we must admit, we have not yet mastered economic management. Output is low, personnel and staffing plethoric and the prices of our products are not competitive.

As far as the structural adjustment program on which we embarked 3 years ago is concerned, the record is not yet positive because we have not emerged from the crisis. The crisis continues and to a certain extent is growing worse. Let us take a single indicator: From 1985 to 1986, the GDP [gross domestic product] fell from 971 billion CFA francs to 640 billion. Then, after remaining stagnant between 1986 and 1987, it again dropped by some 4 percent between 1987 and 1988. This situation can be attributed to outside elements known to everyone and which we cannot control.

Politically speaking, one may have thought that the situation, which resulted in plant closings, work stoppages at sites and increased unemployment, would be accompanied by unrest and social movements of all kinds, but such is not the case. In the past 10 years, the Congo experienced the longest period of peace and stability in its history.

[JEUNE AFRIQUE ECONOMIE] You are now negotiating with the IMF for the signing of a new structural adjustment plan. The first one did not have the anticipated results. What do you expect from the second program?

[Poungui] If we want a structural adjustment plan to be truly worthy of the name, it must not cover only 1 year. It must be a medium-range plan. The size of current deficits prevents us from rehabilitating the economy in a single year.

What we want out of this new program is the rescheduling of our debt, but the mechanisms previously proposed by the Fund must be completely revised. They are not adapted to our situation. The duration, interest rates, and amount of rescheduling must be re-examined. We still believe that the distinction between low- and medium-income countries is not a judicious way to approach the question of development. The per capita GNP [gross national product] must not be the sole criterion, especially since it does not mean much.

I do not believe that a Congolese peasant is aware he earns \$1,000 a year! Some indicators may be deceiving and lead to erroneous conclusions. If one takes the Congo's health care system, for example, we have 1 doctor for every 400 inhabitants. On a statistical level, one could conclude that the health situation is formidable. Indeed, we are witnessing an increase in endemic diseases and infant mortality is high.

[JEUNE AFRIQUE ECONOMIE] Over the past year, a certain number of measures (privatization, the opening up of the capital of public enterprises to private parties) allow one to assume that the Congo, classified among countries with a planned economy, has taken the path of liberalism. Are we witnessing an ideological shift?

[Poungui] What do you mean by "ideological shift"? In any economy, when the system of management put in place turns out to be ineffective, when certain sectors pose grave threats of recession to the rest of the economy, then any responsible economic policy requires vigorous corrective measures in order to rehabilitate the ailing sector. How can one stand idly by when 90 enterprises (including some 20 joint public and private ventures) record cumulative losses rising from 3.7 billion CFA francs in 1981 to something over 22 billion CFA francs in 1984 and exceeding 73 billion in 1986? Is it because we took privatization measures to help government enterprises that could no longer survive without state subsidies that we are allegedly guilty of deviation and suspected of a shift toward liberalism? Is it because we concluded a confirmation agreement with the IMF 3 years ago and passed a structural adjustment program? It was our Western creditors who imposed that procedure on us as a precondition for any negotiations on rescheduling our foreign debt.

Moreover, I would remind you that the Congo has been a member of the institutions of Bretton Woods since it gained independence and that as early as 1979, we signed a standby agreement with the IMF. No one brought out that fact at the time.

Whatever the case, today's pragmatism has its basis in the party program adopted since 1972. Its fundamental texts state that the People's Republic of the Congo must first of all go through the phase of the national people's democratic revolution before reaching that of socialism. We are in that first phase, during which the coexistence of state, mixed, cooperative and private sectors is accepted. I would add that this phase will last for a long time to come and that one cannot determine its duration arbitrarily or deliberately.

[JEUNE AFRIQUE ECONOMIE] Will your privileged relations with the Soviet Union and Cuba not be modified?

[Poungui] In no way. Can one now conclude that the Soviet Union and Cuba, which are also taking corrective measures by trying joint ventures with foreign partners, for example, are in the process of shifting toward liberalism?

[JEUNE AFRIQUE ECONOMIE] Europe is achieving its integration. Do you have the feeling that in UDEAC [Customs and Economic Union of Central Africa], everything was and is in fact set up to bring about a regional economic community there also?

[Poungui] For many years, we have spoken about subregional integration. In actual fact, we did not succeed in bringing it about. We achieved customs and fiscal integration, but difficulties do remain. Those countries still have economic activities that each one wants to keep for itself.

This micronationalism and an absence of financial means limit integration. One cannot force a foreign enterprise to invest in the Congo rather than in Cameroon simply because UDEAC countries must be complementary. That decision is not up to us. Nor do national investors exist. It is the enterprises that should invest in common units because governments do not have the means to do so.

[JEUNE AFRIQUE ECONOMIE] The problem of toxic waste has not spared the Congo. What do you intend to do to protect yourself against such illegal exports in the future?

[Poungui] We want the countries that produce such waste to take measures to prevent its exportation at the source. At the Dakar meeting, they apparently did not see it that way. As far as we are concerned, an environmental code is being drafted. It could be passed in May at the earliest and by December at the latest. The illegal importation of waste will be considered a serious crime and subject to fines and prison sentences. Measures to

protect against domestic pollution will also be taken. For example, when a company wants to come in, we shall order an environmental impact study. A report will be required.

[JEUNE AFRIQUE ECONOMIE] A ministerial meeting was just held in Brazzaville to plan for the coming Lome IV Convention. What do you expect from it?

[Poungui] While a certain number of priority objectives defined at the Third Convention remain up to date and must be consolidated and developed, it nevertheless appears necessary, in a spirit of innovation, to introduce new objectives based on the current deterioration of ACP [African, Caribbean and Pacific countries (associated with the EEC)] economies. In that sense, the Congo expects Lome IV to innovate in the area of commercial and customs cooperation and to integrate the concerns of ACP oil-producing countries into its objectives. We think it would be desirable to incorporate oil into an export revenue guarantee system. Finally, vis-a-vis our European partners, I think it is essential for ACP countries to demonstrate more solidarity and cohesion.

*** Drop in Oil Revenue, Rising Debt Discussed**
34190239b Paris JEUNE AFRIQUE ECONOMIE
in French Apr 89 pp 66-69

[Article: "Quest for a New 'Gold Mine'"]

[Text] Brazzaville was counting on its oil. In the euphoria of the 1970's it looked like everything was possible. Today the bills are coming due for the investment commitments made back then.

On a gray morning in March Brazzaville stirs to life after a long rainy night. Sitting at the wheel of his taxi, Valentin Tchikaya has only one thing in mind: to make the Fr CFA 20,000 he needs to pay his bills. It doesn't bother him that today, like every other day, will be tiring. His father is counting on him to bring home the money it takes to support the family. But competition has been fierce over the last year. More and more green and white taxis are combing the streets, while customers are becoming scarce. A sign of the times. In the Congo one lives from day to day.

But the Elf-Congo skyscraper now under construction serves as a reminder that just a few years ago, thanks to the oil boom, the most grandiose projects—perhaps even the craziest—were on the drawing boards. Standing like a lighthouse at the end of a quay, inscribed in the landscape as if to ward off bad luck, it is the last vestige of an era when everything seemed so easy—an era one would like to hang on to at all costs.

In the early 1980's, when Congo became an oil country and rose to the level of fourth-largest producer on the continent, the authorities had no idea that they had made a commitment "for better or for worse." With an unprecedented growth rate, revenues at an all-time high,

and businessmen in a fever over black gold, nothing seemed able to block the country's path of development, a path that until then had been limited—or very nearly so—to the meager earnings from wood. So there was a strong temptation to launch into an ambitious economic policy that previously would have been inconceivable in terms of revenue available.

An Ambitious First 5-Year Plan

In 1974 Congo believed in its oil. Its soaring budget is proof of that. From Fr CFA 1.25 billion (Fr25 million) in 1973 it increased to 19 billion (Fr 380 million) the following year. Folly? The resources were there, and the doors of financial institutions were wide open to them. It was in this climate of euphoria that the authorities prepared the first 5-year plan (1982-1986). On the agenda: construction of a railroad and highway network, creation of an industry infrastructure, and renovation of statal enterprises.

Everything at last seemed possible for this country where everything was still needed. Wealthy overnight, it found that investing, consuming, and borrowing—often at unreasonable interest rates that reached 16 percent and more—would be habits difficult to break.

For the young people (70 percent of the population is under 35) the city was the place to be, as it still is. Over the years the rural exodus has accelerated. Today Brazzaville and Pointe Noire are packed with people. Along with Zambia, Congo has the highest rate of urbanization on the continent, even though its cities still have a provincial air.

Congo, the first African country to have opted for Marxism-Leninism, paradoxically became in the early 1980's a full-fledged society of consumers. That golden age seems far away now. Over the last 3 years budgetary revenue from oil has decreased under the combined effects of lower crude prices and a lower exchange rate for the dollar. From Fr CFA 230 billion (Fr4.6 billion) in 1985, it fell to 34.5 billion (Fr690 million) in 1988. It was a brutal decline, and one that could not be offset by increased levels of oil production (7 million tons last year against 4 million in 1981): a veritable catastrophe for a country in which oil was the leading activity and conditioned the entire economy. The repercussions of this situation on economic indicators were not long in coming.

Every year since 1986 the budget has been revised downward. In May 1988, for example, insufficient revenue forced the government to reduce its budget for the fiscal year in progress from Fr CFA 252 billion (Fr5.04 billion) to 173 billion (Fr3.46 billion). And though a budget of Fr CFA 235.8 billion (Fr4.71 billion) has been set for 1989, Brazzaville is already thinking about amending it.

Difficult Apprenticeship in Austerity

Powerless against external factors out of their control, Congolese authorities are trying after a fashion to cut back all unnecessary expenses while still pursuing the country's development efforts. An arduous task at a time when funds are lacking, when the debt is one-and-a-half times the GDP [gross domestic product], and when debt service swallows up half of all export earnings. With debts amounting to \$3.5 billion and a population of only 2 million souls, Congo today has one of the highest rates of per capita indebtedness on the planet!

It is a disquieting situation, one which the structural adjustment policy established by the government in 1985 and ratified by the IMF in October 1986 has not succeeded in redressing. This year a new accord is supposed to be concluded. Between now and then Congo has to make its debt payments, liberalize the economy and overcome the resistance of the hardline wing of the Congolese Labor Party [PCT], whose decisions are final in this country and that takes a dim view of economic liberalization and its associated privatizations. It will be difficult for President Denis Sassou Nguesso to carry out these three tasks simultaneously, especially since his country is considered rich, at least by some standards.

What are these outward signs of wealth in a time of economic crisis? First, a minimum wage of Fr CFA 23,500, four times as high as in neighboring Zaïre; second, a per capita income of \$1,000. These statistics put Congo in the category of medium-income countries; thus it cannot benefit from debt alleviation measures for the poor countries.

While waiting for some special arrangement to take care of Congo's debt, the people continue their apprenticeship in austerity. The government has trimmed back on lifestyles, its own as well as those of government employees, whose salaries have been lowered—5 percent in 1986 and 10 percent in 1987. Civil service hiring has been frozen, though there is no thought of laying people off. But Congo, with 80,000 public-sector and parastatal employees in a country with a work force of barely a million, has one of the most lavish bureaucracies on the continent. And for good reason. The deterioration of the job market is creating a politically dangerous situation: 60,000 young people enter that market every year.

Privatize, Reform, and Restructure

In the absence of a dynamic private sector, part-time jobs have proliferated. By themselves, however, they cannot provide a decent income. "Fortunately, there is enough family solidarity to provide the unemployed with lodging and shelter. So delinquency is a phenomenon almost unknown in Brazzaville and Pointe Noire," says one expert.

Under the guidance of the IMF and the World Bank, Congo has also begun to reform its state enterprises. Their deficits, which amounted to Fr CFA 100 billion (Fr2 billion) as of 1 January 1988, have over the years become a veritable millstone, despite the Fr CFA 400 billion (Fr8 billion) invested by the government between 1982 and 1986 in an effort to get them back on their feet. Out of the 90 public-sector enterprises, 76 are being restructured. Some have already been liquidated, while others have been privatized or are heading for privatization. Finally, about a dozen are on the way to becoming semipublic companies. However, those companies judged strategic will remain in the bosom of the state, despite pressure from the World Bank.

But Congo cannot afford to let up on its efforts. It urgently needs to reduce its imports, especially of food. In fact, the former Marxist El Dorado spends more for food imports alone (Fr CFA 40 billion) than it earns in oil sales (Fr CFA 35 billion). Over a 10-year period, the surface under cultivation—which is 1 percent of the country's total land area—has diminished by 20 percent, and per capita agricultural yield is lower today than it was 10 years ago.

Appeasing Sensitivities in East and West

So, despite its riches in the ground, this country is still unable to feed its population. Food self-sufficiency has, of course, become a major priority, but for the moment it exists only as rhetoric in speeches and slogans on billboards.

"Congo must gradually diversify its production in order to attenuate its petroleum dependency," one reads in the latest World Bank report. Indeed, a high priority has been put on the forest and agricultural sectors.

Aware of its problems, the Congolese Government is now trying to move forward step by step, hoping not to offend any of the leading currents of public opinion. It may be implementing a liberal economic policy, but it has not quit flaunting Marxist ideology. Far from it. It is trying to appease everyone's sensitivities, in the West as well as the East, even though cooperation with the USSR increasingly appears to be going nowhere. Outside of military aid and technical or university training, Soviet-Congolese exchanges are still very limited, while France is its biggest economic partner. Congolese authorities are expecting the most from France, particularly with regard to special treatment on the debt issue. The French, meanwhile, have indicated that a response to this problem—not just for Congo but for all the middle-income countries in French-speaking Africa—might be forthcoming at the summit meeting of the seven industrialized countries to be held in July 1989 in Paris.

In any event, the portraits of Marx, Engels, and Castro all along the presidential palace continue to remind visitors that they are in a socialist country, as they remind Congolese party militants that their spiritual forefathers are still guiding the country's political and economic life.

Balance of Payments in Billions of Fr CFA

	1984	1985	1986	1987	1988 (estimated)	1989 (projected)
Exports f.o.b.	552.5	514.3	232.9	274.1	273.8	307.4
Imports f.o.b.	260.0	283.1	177.4	148.6	148.4	150.0
Trade balance	292.5	231.2	55.5	125.5	125.4	157.4
Net services	-267.0	-305.7	-270.1	-208.0	-208.0	-230.6
Net transfers	-1.2	1.3	6.5	1.8	1.5	1.5
Capital account	-75.0	10.0	64.1	-53.7	-71.5	-113.6
Miscellaneous	10.4	20.4	16.9	9.9	-14.0	-
Balance of payments	-40.3	-42.8	-127.1	-124.5	-166.6	-185.3

Ethiopia

'Returnees' Claim 'Rebels' Kidnap Recruits *AB1106193889 Paris AFP in English 1024 GMT 11 Jun 89*

[By Veronica Forwood]

[Text] Asmera, Ethiopia, June 11 (AFP)—Rebels of the Eritrean People's Liberation Front (EPLF) are recruiting through kidnapping, according to ex-rebels undergoing rehabilitation at a disused sports stadium in Paradiso district of this Eritrean capital.

The EPLF has been press-ganging old men, boys as young as 12 and young women into the struggle against government forces in a 28-year-old secessionist war, the ex-rebels said.

The "returnees," as they are called, are all said to have reached here after escaping from EPLF camps, where they say they were unwilling recruits to this northern Ethiopian war.

Speaking through government interpreters, 27-year-old Teklom Gilazgi told how he was working as a trader in the Eritrean lowland area of Akordat, west of here when he was taken prisoner at gunpoint by an EPLF patrol.

For the next three months he said he underwent military training under the watchful eye of his captors.

He explained that during the one major battle he took part in, he killed "many people." He had no choice because soldiers behind him were ready to kill him if he did not fight.

He said friends were killed when they tried to escape.

He finally escaped himself after two years with the rebels, fleeing when he was ordered to fetch water.

The rehabilitation camp here currently has 166 returned rebels on a three-months program. Government officials say more than 18,000 have passed through here in the past 10 years, receiving medical attention and political education before being released back into the community.

Discipline at the camp seemed minimal and the inmates, mostly young men, looked relatively relaxed.

Among those who say they were swept up in EPLF recruitment drive was Tasfar Beyin, 68, who despite his age was a government militiaman in Serai Province of Eritrea, when rebels took him away.

He said they let him go again later because he was too old.

At the other end of the scale, Kidane Gabria Mariam of Adeqala on the Eritrean border with Tigre, told how he joined the rebels of the Tigre People's Liberation Front (TPLF) aged 13, because he was "influenced by agitation."

The TPLF, which is loosely allied with EPLF, is fighting a war for greater autonomy.

It took him a short time to realise that he did not care for the life of a rebel but three more years before he got the chance to escape.

Seventeen-year-old Frewyoni Okubai described how she was sleeping at her family's home at Meraguz in Sarei Province when she was kidnapped by the EPLF.

She was put in a camp holding 400 women who underwent seven months military training.

At the end of her training she was sent to work cooking food for officials of the rebel organisation. She believed other women were sent to the front to fight.

She said she escaped when sent to the river for water where she met a civilian passer-by whom she begged to take her to the government side.

Officials at the camp here say none of the returning rebels will be obliged to serve in the government forces at the end of their three month-period of rehabilitation although those who ask to serve could be accepted.

Students, whose studies were interrupted could return to college and those who had worked before could resume it.

While government officials here accuse the EPLF of kidnapping citizens to fight for them, the Ethiopian government itself has long been known to resort to forced conscription of young men in the war, which is costly in both lives and money.

Diplomats in Addis Ababa say that a massive roundup took place in the second two weeks of April, with an estimated 50,000 to 100,000 men taken against their will.

Speaking to journalists in Addis Ababa Tuesday, President Mengistu said recruitment into the armed forces was done with clear observance of proper guidelines.

But he added, "every Ethiopian over 18 years has a duty and a right to defend the motherland."

*** Arms Traffickers Fail To Supply Eritreans**
34000428a Paris THE INDIAN OCEAN
NEWSLETTER in English 1 Apr 89 p 2

[Text] At the end of March, two Belgians, Patrice Raulier and Andre Fredix, were condemned by an Italian court to twelve and eight years imprisonment respectively for arms trafficking. They were arrested in Savone (Italy) at the end of February.

According to the daily LE SOIR in Brussels, the destination for the arms was Eritrea. The "cargo" was loaded in Hamburg on a Danish cargo ship, the Jenstar. However, the paper is not totally excluding the possibility that the cargo could have been on its way to Bolivia or Columbia. The cargo consisted of 5,000 cases, containing Czech-made automatic pistols, machine guns and ammunition. A sales contract had been signed by a Czech company, Merkuria and Mr Raulier's, Impex Trading. Eudasco, a firm in Liechtenstein, put up 60 million Belgian Francs to see the operation through. But overall the transaction was worth a lot more. Eudasco obtained a letter of credit for 330 million Belgian Francs from the Banca Popolare de Novara in order to participate in the deal, on the pretext that it was for automobile parts. The Belgians and the Danish crew-members were arrested when they put into port at Savone. Strange coincidence, according to the defence, everything began when Impex Trading received a proposition from an Italian businessman Gian Marco Pano, who in reality is a carabinieri responsible for seeking out and infiltrating arms traffickers. The accused have appealed.

Kenya

President Moi Discusses Rights, Bans Beer
EA1006218289 Nairobi Domestic Service in Swahili
0831 GMT 10 Jun 89

[Speech by President Daniel arap Moi at Kericho; passages in slantlines spoken in English—live or recorded]

[Excerpts] Please be seated. Ladies and gentlemen, we are gathered here today with the sole purpose of improving the level of education in the Kericho district. I am very happy to be with you on this occasion. [passage omitted]

We are a people that rule ourselves. Many people are shouting about Kenya, while we are living in peace. What I myself ... [changes thought] When I took the reins of power, didn't I release all those who had been detained? When I released them, was it because anybody told me to do so? [audience responds: No] /There was no pressure. And even now I did release all those who were detained/ on my own /without being pressurized by anyone./ Therefore, those who claim to be /supervisors/ of others should look into their own affairs /instead of supervising others/ [applause].

The way they see democracy is on a /selective basis/ [applause]. They do not see democracy as people making decisions. When we decide—if democracy is based on majority,—then why do they speak out on behalf of those who wanted to overthrow this government in 1982. They say that even these people should be released. /Were they part and parcel of wanting to overthrow this government?/ [applause]. /Then they are revealing what they had in mind, what they intended to do./ Weren't the 130 people who died at that time human beings? So why do they say that those who killed them should be released? Amnesty International is the agent of certain people. They are agents. They should not pretend that they are fighting for human rights. [passage omitted]

If they want to fight for human rights they should start with the drug addicts, those released, instead of going to the /DAILY NATION, THE STANDARD or KENYA TIMES,/ who they prefer to rush to—when a calf is released from its halter it runs to its mother is that not so [laughter]. To suckle its mother [laughter]. Now, when these people are released, instead of looking to this side, they go to see the imperialists. Is the imperialist their mother? [laughter and applause] Such people /have lost their identity./ We do not wish to lose our identity. [passage omitted]

We do not need to send anyone to jail. /I do not wish to put anybody into detention./ I do not need to, unless someone starts talking with the aim of hurting others. I say, let all those who are abroad return if they want to and if they don't is not that proof that they are guilty and have broken the law? If someone was not guilty he would return home. We do not need... [changes thought] There is one who fled to Sweden. He returned a year or so ago. He is now happy and conducting his business. Have we touched him? We have not. Whoever lives in peace and wants peace can continue to do so. We have achieved today's level of development because we have had peace since 1963, is that not so? [passage omitted]

I call on the youthwingers to carry out their work in peace, to guard the citizens and to co-operate with the police, who are here to help you, to see that all evil is uprooted. I want everyone to understand the following: I said in 1979 that alcoholic drinks must be wiped out. Did I say this or not? [audience responds: You said it] I will now repeat it.

As of today, 10 June, I do not want to hear of beer anywhere—chang'aa [locally brewed strong liquor] or any other type [applause]. Kenya is not a beer country or a country for drunkards. We do not have time to get drunk. We only have time to build our country. Therefore, chiefs and sub-chiefs, your job is to be my eyes in those areas where you live. [passage omitted]

*** Official Blames Mwakenya for Water Problems**
34000500b Nairobi KENYA TIMES in English
11 May 89 p 5

[Article: "Mwakenya Behind Shortages, Says M.P."]

[Text] Parliament was yesterday told members of the underground Mwakenya movement were behind the frequent water shortages at the Coast.

The member for Msambweni, **Mr Kassim Mwamzandi**, claimed there was sabotage at several water projects at the Coast so that tourist hotels could miss water and spoil the name of the Government.

He said members of the underground movement could also be behind the frequent drug shortages at hospitals, since they stole them to create artificial shortages.

Mr Mwamzandi told members it was the duty of politicians to check the activities of such people. He said politicians should help the President by flushing out such people who are out to wreck peace and stability in Kenya.

He was replying to members contributions to the freelance motion seeking the Government to intensify the supply of water, particularly in the perennial hardship areas.

Mr Mwamzandi, who had moved the motion, thanked the members for their contribution and said it was gratifying to note that the Ministry accepted the importance of water in semi-arid and arid areas.

He said water should take first priority among Government priority among Government projects adding that a lot of water flowed into the Ocean without efforts to divert it to areas where there is an acute shortage.

Parliament passed the motion with amendments. Its debate was briefly interrupted when the member for Mbooni **Mr Johnstone Makau**, drew the attention of the Acting Speaker, **Mr Kabengu Muregi**, to the fact that there was no quorum. At the time, there was only 12 members in the chamber.

Answering a question, an Assistant Minister for Water Development, **Mr Walter Mwita**, said the design for the supply of water to Kesses and Tulwet Sublocations in addition to the Moi University were complete.

The Assistant Minister said the completion of the project is targeted for the 1991/92 financial year. He said the projects cannot be undertaken immediately since there wasn't enough money.

Mr Mwita was responding to a question from the member for Eldoret South, **Dr Joseph Misoi**.

Dr Misoi had asked what long-term plans the ministry had to provide adequate water to Kesses and Tulwet Sub-locations, and the Moi University, arguing that the areas had attracted large and fast expanding market centres.

The Ministry of Public Works has no immediate plans to re-route the Kamatira section of the Kapenguria-Lodwar Road, but warning-signs about its dangers will be installed, an Assistant Minister for Public Works, **Mr Ngumbu Njurari**, told the House.

The Assistant Minister consented that the area was very hilly but said it was speeding motorists who caused accidents along the site.

The Assistant Minister said the previous warning signs on the road had been vandalised by area residents.

He was responding to a question by the member for Kapenguria, **Mr Peter Lotim**, who asked what measures the ministry was taking to re-survey and re-align the section to minimise accidents.

*** Official Explains Commitment To Namibia**
34000425 Nairobi SUNDAY NATION in English
30 Apr 89 p 16

[Interview with Brig Opande, commander, Kenya contingent to UNTAG [United Nations Transition Assistance Group]; date and place not given]

[Text] Question: What significance do you attach to the choice of Kenya as a contributing nation to the UN peace keeping forces here and why do you think you were chosen as deputy force commander?

Answer: Kenya having been selected to provide a deputy commander means that the rest of the world has a lot of respect, a lot of confidence in our government and our people. As to my selection, my commanders including the Chief of the General Staff (CGS) must have sat and gone through a list of suitable officers who could fill this post and perhaps I was lucky to have been given this opportunity. And I feel very much honoured that the CGS and his panel selected me and that the Commander-in-Chief who has the final word approved the selection.

Q. What is the composition of Kenya's staff to Untag? Where will the Kenyan troops be deployed and what are their tasks?

A. At Untag headquarters, we also have 30 officers, including me. We also have 25 military observers in Namibia and Angola working with others from other contributing countries. Ten observers are in Lubago area in Angola in Swapo bases while others are living in the bush with Swapo fighters confined in camps. We also have a mobile team plying north and south of southern Angola to do whatever needs to be done. The other

component is the battalion which will be deployed in the central regions of this country where the capital is, where the seat of government is and where all roads lead to. At the moment, the battalion is at the Okahanja headquarters 70 kms north of Windhoek. Ten kilometres south of Okahanja, we have three companies in Osona Base, formerly a military training college for the South African Territorial Forces. At Omites, 50 kms south of Windhoek, we will have a company there which will deploy platoons as far south as Keetmanshoop, Bethanie and Karasburg.

Q. When do you expect to deploy the Kenya troops?

A. As soon as we get all our equipment today, tomorrow or the day after. The battalion will be fully operational. We will then deploy properly including a company that will look into the security of Windhoek. Another company will be at Gobabis to look at the security of the general area and the border of Namibia with Botswana. I am very optimistic that by Monday, we will be fully deployed, operational and ready.

Q. What exactly will they be doing? What are their duties?

A. First of all, we are here to assist the UN in its effort to keep the peace. And there are various ways to do so. The military component of Untag will keep peace as South African forces move out of Namibia to go back to their country and as the South African Territorial Forces get disbanded to become civilians. Our troops will take over the duties of the two forces. But one of the major tasks is to guard the vital installations in areas they are deployed, to give local wananchi a sense of relief that a completely new and neutral force, one that is neutral to the previous and current conflicts is in the country to see that law and order is maintained and is not breached.

Of course we hope that we will not be called upon to take up arms. The normal law and order will be looked after by the local police under the watchful eye of Untag police. We do not think it will be necessary to deploy our troops in the field to augment the effort of the police, but we will wait and see what happens.

Q. What would happen if SA [South African] security forces or police or even Swapo [South-West African People's Organization] fighters were to open fire on the Kenyan or other troops?

A. Our troops have very specific instructions on how to use their weapons in self-defence and I'm quite confident that they will only use the weapons in those circumstances of self-defence.

Q. Some Kenyan troops are sharing bases with members of the SA Defence Forces. Will the Kenyans be guarding the SA forces as well as guarding the vital installations?

A. Until the time when SA forces are demobilised, we will be guarding the installations even if it means living inside them. We hope that after the forces are demobilised or disbanded they will leave.

Q. You wear two hats here, one of deputy force commander and the other of contingent commander. How do you divide your time and duties?

A. I find it very easy to fit in those two appointments which, although one may think are different, they are not. I work with their entire force as deputy commander and I find it challenging. As contingent commander, I have no problems at all because the Battalion Commander (Lt Col Bedford Kithinji) is a very experienced commander with very good officers and very good, absolutely splendid soldiers. The jobs I give the battalion commander are done without any problem and if there are any contingent problems to be solved, I do it here. Those problems which I cannot solve, I pass them over to DOD (Department of Defence in Kenya) and things have always been done.

Q. Controversy still rages as to what caused the military flare-up in northern Namibia between SA forces and Swapo on April 1. What exactly happened?

A. On the night of March 31 and April 1, the SA security reported that a good number of Swapo fighters had infiltrated Namibia from southern Angola in contravention of the agreement reached for the implementation of UN Resolution 435. Hence they had no choice but to counter that threat which they considered a threat to Ovamboland. So they deployed policemen initially who made contact with Swapo, fighting and killing went on. By the end of the day, it was reported that the SA police were unable to cope and needed SA security forces and were then allowed to commit certain units in support of the police and that is what happened. The fight went on and in the end quite a good number of Swapo lives were lost.

Q. As a military man, what, in your view is the possible solution to the crisis?

A. I have very high hopes that the UN and the rest of the world want to see 435 get back on track and succeed. The countries involved are not just the five permanent members assisting to bring Namibia to independence. Most UN countries, including Kenya want to see 435 back on track. I do believe South Africa and Swapo are anxious that this happens. And I believe that with wisdom, this week's meeting in Cape Town (the Joint Military Commission) will find a solution to this crisis which we have had since April 1.

I do not think you can find a military solution to this problem. You could deploy thousands of troops up in the north from both sides but you will not succeed. It must be a political give and take process. The military may

assist by restraining any military action by SA forces and Swapo, but the two sides must take maximum restraint to avoid any further clashes, any further military confrontations.

Q. What would happen should a similar flare-up occur between the combatants?

A. This can easily trigger this thing back to where it was on April 1.

Q. Do you see a situation where, owing to this crisis and other setbacks, the period for implementation of 435 may take longer than the one year set by the UN?

A. I hope not. Time is running out for everybody. Not badly but time is running out and the sooner we get back on to track and start moving, the better. We might be able to accomplish with the time limit of one year, and yet against we might not.

Tanzania

Mwinyi Denies 'Rumors' on ANC Fighters Refuge
AB0906182589 Paris AFP in French 2000 GMT
7 Jun 89

[Text] Dar es Salaam, 7 Jun (AFP)—Tanzanian President Ali Hassan Mwinyi has denied rumors that Tanzania is getting ready to receive the African National Congress [ANC] anti-apartheid fighters who have been forced to leave Angola.

The members of the African National Congress, a banned party in South Africa, have to leave Angola following the December agreements on the Namibian independence and the withdrawal of Cuban Forces from Angola. The agreement was jointly signed by South Africa, Angola, and Cuba.

President Mwinyi, who was giving a press conference today on his return from Iran, was questioned on rumors being currently spread in the Frontline States concerning the harboring of ANC members in Tanzania. Mr Mwinyi stated that the rumors were no surprise to him because Tanzania is a member of the Frontline States. He simply said that there was not yet any question of setting up an ANC base in Tanzania.

Mwinyi Holds Talks With Indian President
EA1106073189 Dar es Salaam Domestic Service
in Swahili 1700 GMT 10 Jun 89

[Text] Dar es Salaam—President Ali Hassan Mwinyi and President Venkataraman of India this evening attended opening talks between the Governments of Tanzania and India. The talks were held at State House, Dar es Salaam, and were preceded by face-to-face discussions between the two leaders. A statement issued by State House said that among the topics discussed were relations between the two countries and the importance

of promoting agriculture, trade, and industries. On international issues, the two leaders held identical views on Namibia, South Africa, global peace, and the political situation, including the importance of a change in the global economic mode.

Uganda

*** Recent Political Developments Examined**
34000497a London AFRICA CONFIDENTIAL
in English 17 Mar 89 pp 1-2

[Article: "Uganda: Votes in a Vacuum"]

[Text] The elections for the Resistance Committees (RC) which were held over several weeks in February marked a major tactical success for the government. However, they concealed a vacuum in strategic thinking.

First, the success. Arguably, these were the first fair elections to be held in Uganda since 1961, certainly since 1962. There was much pre-election apprehension about the introduction of a queue-voting system similar to that which was so abused in recent Kenyan elections. Yet Kiiza Besigye, National Political Commissar of the ruling National Resistance Movement (NRM) and the man in charge of the polls, argued plausibly that the abnormal conditions in the country did not permit secret balloting. In the event, the elections passed off with a minimum of intimidation. Only in the northern district of Gulu was the poll postponed because of insecurity (AC Vol 30 No 3). The whole exercise compared favourably with the last general election in 1980, which was blatantly rigged.

Of course, fair does not necessarily mean democratic. The legislature, the National Resistance Council (NRC), has 68 nominated seats out of a total 278. Of these, 38 constitute the 'original' NRC, President Yoweri Museveni's close associates from the days of the bush war, while 10 are from the National Resistance Army (NRA). Museveni nominates the remaining 20, which gives him the chance to fine-tune the political mix.

The RCs have their origins in the NRA's time in the bush, when they were a way of mobilising popular support. The political parties, along with many people in the north and east, resented their extension into a national system in 1986, seeing them as composed of government stooges. At their best, the RCs have acted as genuine popular tribunes, sometimes to the government's disquiet. In Gulu recently, RC officials documented cases of killings of civilians by the NRA and submitted them to the government and army. The result was an official investigation in which the RCs themselves are taking part.

Only the village RCs were directly elected. Subsequent RCs, at parish, sub-county, county and district level up to the NRC, were elected by an electoral college of those in the levels below. Candidates were not allowed to

campaign: Museveni banned all party political activity soon after he took power in January 1986. Nevertheless, many candidates' party affiliations were transparent. Unsurprisingly, the Democratic Party (DP), a junior coalition partner, appeared to have consolidated its position in the RCs. Meanwhile, three ministers from the last government of Milton Obote were elected to the NRC: Adonia Tiberondwa, Yona Kanyomozi and Philemon Mateke, along with former parliamentary speaker Francis Butagira. This was despite a declaration by Cecilia Ogwal, deputy secretary general of Obote's Uganda People's Congress (UPC), that the party was boycotting the poll.

No fewer than 14 ministers lost their seats. It was inevitable that some would fall, since in several constituencies members of the government were standing against each other. Some prominent DP ministers were defeated—Yoweri Kyesimira (Planning), Joseph Mulenga (Regional Cooperation) and the party secretary general, Robert Kitariko (Water and Minerals). The Minister of Education and leader of the monarchist Conservative Party, Joseph Mayanja-Nkangi, lost to Energy Minister Jaberu Bidandi-Ssali. As far as Museveni is concerned, this is all to the good. Now he can either be rid of these ministers or else show magnanimity and restore them to the NRC as nominated members.

Uganda has had its fairest elections in nearly 30 years. But there is no constitution in sight

But the real triumph of the elections was expressed in an almost unnoticed remark by Besigye. The NRC election, he said, was the 'fulfillment of a promise the NRM made when it came to power in 1986'. It had been widely assumed that the elections promised within four years of the seizure of power would come after agreement on a new constitution. But it is clear the proposed constituent assembly is unlikely to meet before 1991, since it was only in February that Museveni appointed a commission, headed by Justice Ben Odoki, to conduct a nationwide consultation and draw up constitutional proposals. By holding these elections at short notice, Museveni has kept a promise but effectively changed nothing.

If the elections were a deft political manoeuvre, they only serve to underline the lack of a long-term strategy. This is not the first time Museveni has wrongfooted his critics. His handling of the growing pressure for the Buganda monarchy in 1987 was masterful. The Buganda elders had planned a triumphal return for the heir to the Kabaka's throne, Prince Ronald Mutebi. Museveni pre-empted this by himself bringing Mutebi from Britain, allowing him to say a few well-chosen words in support of the NRM and then sending him back to his studies at the North London Polytechnic. Similarly, he outflanked critics of his harsh military policy in Acholi and Teso by

declaring an amnesty and negotiating settlements with the main opposition groups, an initiative that seems to have come from his brother, NRA number three Salim Saleh.

But in both cases, the point is that Museveni has not used his tactical advantage to push through policies which might win more durable support for the government, either in the north or Buganda. The government simply has no programme other than a vague promise of governing better than its predecessors. This understandably holds little attraction in the conflict-ridden areas of the north, where NRA behaviour has deteriorated since last year's diplomatic successes and where civilians are subject to horrific abuses from both sides. And even in the secure south, the government's promise is wearing thin.

Memories are short, especially in Kampala. Ominously, the Internal Security Organisation and military intelligence are increasingly adopted the style of Idi Amin's State Research Bureau or Obote's National Security Agency. There are reports of torture and deaths in custody, even though the scale of abuses is still not comparable to the past. Museveni promises a sweeping reform of the legal system, yet in practice, all that has been done so far is to propose summary powers for magistrates in areas of conflict. Meanwhile, economic policy is still marked by a one-dimensional concentration on monetary policy. Inflation has been slowed by vigorously restricting the money supply but this is taking its toll of the urban poor. No attempt has been made to tackle the pressing issue of land tenure. Above all, neither Museveni nor any of his close confidants displays any clear vision of how Uganda should be governed.

The NRM leadership proclaims itself opposed to 'sectarianism'—meaning the old party, ethnic and religious allegiances—to the extent of introducing a controversial and meaningless law against it last year. Yet ministerial portfolios are assigned on an unerringly sectarian basis to ensure that all parties, ethnic groups and religions are represented, not for their adherence to a particular set of policies but because of who they are (AC Vol 29 No 19). Political power, though, is wielded by trusted NRM/NRA veterans, many of whom shadow nominally senior ministers who are not members of the inner circle. Thus first Deputy Prime Minister Eriya Kategaya, Museveni's number two, is deputy to Prime Minister Samson Kisekka; Ronald Batta shadows Adoko Nekyon of the DP at the health ministry; and another bush veteran, Kahinda Otafiire, did the same at Internal Affairs—until he showed the poor judgement to pull a gun on the President's sister-in-law in the bar of the Fairway hotel, after which he was forced to resign.

But how will Uganda be run when the constitutional commission and the constituent assembly have done their work? Will it be a multi-party or a one-party state? Will the role of the RCs be expanded? Will the NR play

a more direct role in government? Any or all of these views find currency within the NRM/NRA leadership. Most likely the present all party-no party compromise will continue.

Museveni's problem is that he has no party—hence his hostility to party politics. The Uganda Patriotic Movement which he led in the 1980 election is moribund though, like everyone else, it has a minister or two in the government. The NRM has never really existed. It was never the political wing of the NRA in the bush. Rather, the NRM was an external organisation under the conservative leadership of the late President Yusefu Lule.

A year ago, Kiiza Besigye was assigned to the NRM to build up its national structure and membership. He has had no discernible effect. Indeed, one of the few visible manifestations of the NRM, the Kyankwanzi political school, has faded from view recently, no doubt to the relief of officials bored and antagonised by its crude and indigestible rhetoric.

Hope that the RCs would provide the rank and file of a revitalised NRM has been frustrated. The elections reinforced what has been apparent for some time—that the RCs generally reflect traditional political allegiances. Museveni did not offer himself for election, though he must be popular enough to be returned. The same may not be true of many in his political circle. People see no contradiction in supporting Museveni and the NRA at the same time as voting for the DP or UPC. This is unlikely to change in the near future. Hence the likelihood that any new constitution will look much the same as the present arrangement.

*** President Meets With Sudanese Delegation**
34000427c Kampala *THE NEW VISION* in English
3 May 89 pp 1, 12

[Article by Fred Bananura]

[Text] A Sudanese delegation has been in the country to brief President Yoweri Museveni on the new changes that have been taking place in Sudan since the political developments of the March 23, this year. [as published]

On March 23, a new broad-based government embracing all the political parties in the country except the Islamic Front, and the Trade Unions in the country was formed. It was formed with the political objective of finding peace for the war-torn Sudan.

The two man delegation which has been in the country, and leaves today for home, had been sent by the Sudanese Prime Minister Mr Sadiq el Mahdi to brief President Museveni on the new developments in Sudan.

In an exclusive interview in Kampala yesterday, and asked why they had considered it important to brief President Museveni, Dr Taisier Mohed Ahmed Ali, one

of the two members of the delegation said, "We trust in his judgment, we have confidence in his wisdom and respect his offer and willingness to mediate in the peace process".

The delegate continued, "We look at him as a good neighbour and a sincere brother, and he has given full encouragement to us to stick to peace initiative. Mr Ahmed Ali added, "We were honoured to have his assurance that his doors are open and he promised to spare no effort to assist in ironing out difference."

"We don't see our discussion with President Museveni as that of mediation but as brothers. Museveni has regards before all parties in Sudan", he said.

The delegates told *THE NEW VISION* that in the first cabinet meeting of the new broadbased government, it was resolved to accept Sudanese peace initiative treaty that had been signed by the Democratic Union Party with the Sudanese Peoples Liberation Movement/Army (SPLM/SPLA).

The SPLA was said to have welcomed the steps for the peace initiative. Two days ago the leader of SPLA Col John Garang was reported to have called for a ceasefire for a month. Asked whether this had anything to do with the peace initiative pact, Ahmed Ali said that Col Garang's call for a ceasefire is "taken as a gesture of goodwill and step towards peace.["]

They said that government passed a resolution to suspend the *Sharia* until the national constitutional conference which is expected to include SPLA and all political parties sits. Government is however now waiting for the SPLA response.

The package of the peace initiative spells out four major issues; suspension of the application of *Sharia* laws; abrogation of military agreements which could impinge on national sovereignty; the lifting of the state of emergency; and ceasefire. The implementation of the pact will be decided upon by the peace implementation committee and the SPLA.

The delegation was headed by Mr Mahgoub Osman. Mr Osman was the Sudanese Ambassador to Uganda in 1971.

*** Former President to Return Home Soon**
34000427b Nairobi *DAILY NATION* in English
4 May 89 p 2

[Excerpt] Kampala, Wednesday. Former Ugandan President Tito Okello, who has been living in exile in Tanzania since being deposed by Museveni in a military coup in 1986, will return home soon, acting Army Commander Major-General Salim Saleh told reporters today.

"We have been briefed about the issue by President Museveni and all preparations for General Okello's return are under way," Saleh said.

Official sources said the 70-year-old general, who held power for only six months, would be given a free house and car and government bodyguards. [passage omitted]

Famine in West Nile Termed 'Emergency'

EA1206201689 Kampala Domestic Service in English
1000 GMT 12 Jun 89

[Excerpts] Government officials in the West Nile districts of Arua, Nebbi and Moyo say the famine situation in the region amounts to an emergency and should be treated as such to avert deaths of many people. The officers who were briefing the deputy minister of relief and social rehabilitation, Mr Deo Rwabiita, and some diplomats who have been visiting the region to assess the situation, reported a few cases of death from starvation.

The district agricultural officer Arua, Dr Victor Droppa Aka, said the famine has been caused by the influx of Ugandans returning from exile in the Sudan and Zaire; prolonged droughts; hailstones; crop destruction by pests; spread of the cassava disease mosaic; shortage of agricultural inputs and uncontrolled movement of foodstuffs between the region and neighboring countries. Dr (Kabani Wani) from the veterinary department, Arua, said there is also an outbreak of animal diseases, especially Trypanosomiasis and Rinderpest causing animal protein deficiency. There is also a general shortage of animal drugs and storage facilities for them. The chairman, resistance committee 5, Arua, Mr Cyril (?Arike), said there was a sharp population increase in the district with a corresponding increase in food production. The DA [District Administrator], Mr Hilary Galiwango, said the northern counties of Arua district were worst hit.

Responding to the report after a tour of the countryside to assess the gravity of the situation, the deputy minister advised the introduction of mandatory food reserves. He also urged the residents of West Nile to put more emphasis on growing foodstuffs than tobacco. [passage omitted]

It was not immediately clear when the food aid package will be concluded or be sent to the region.

*** Government Auditors Reveal Shortfall**

34000429 Kampala THE NEW VISION in English
25 Apr 89 p 1

[Article by Edward Twine]

[Text] The Public Accounts Committee, PAC, yesterday doubted Ministry of Defence accountability of 11b/= (old currency) 7.9m/= (NC) meant for soldiers' allowances between July 1986 and June 1987.

The Auditor General's report indicates that the money was a balance after payment of soldiers allowances and that on delivery to the Ministry headquarters, it was not put to proper use. The Under Secretary in the Ministry who also delegated Secretary for Defence Mr Richard Muyinda said that some soldiers meant to be beneficiaries of such money might have been sick or on pass leave, absent without official permission or in mobile units that could not be easily located. "When not paid, such money is returned to the headquarters", he said. He further said that the money was used to pay 'authentic payments' and cover other essential items.

The Director of Finance in the NRA [National Resistance Army] headquarters Major Arthur Musinguzi revealed that though the money was not banked, it was diverted to meet expenses such as inland travel, purchase of stationery and so on, adding that it was properly documented and vouchers are there," he emphasised. He, however, admitted that the principle of diverting such money without banking it was improper, "this was during the olden days but now such money is immediately banked".

Dr Jack Luyombya, a member of the committee castigated the method of accountability then in use adding: "We shall look for evidence that the money in question was authorised to be diverted and ensure that an explanation regarding the services it was used for is given."

The committee then resolved that auditors of Auditor General's Office go back and cross-examine the payment vouchers Maj Musinguzi alleges are available and demanded for feed-back.

Furthermore, accountants of Defence Ministry were blamed for lack of accountability for Shs. 70m/= the army shop officials allegedly spent to buy 1,000 empty crates of beer and 480m/= to purchase 10,000 cartons of beef and 10,000 cartons of biscuits. The accountability lacks evidence, the auditors contended. The committee demanded that auditors verify the signature of the commander cashier. For the 480m/= deal, the Ministry officials accused a one Omoro, then a higher executive officer in the Ministry for misappropriation. Omoro is now in Ministry of Cooperatives and Marketing. "He should come and say to whom he paid the money," said Luyombya.

The committee became bitter to learn that though the 480m/= cartons deal was struck in 1985, payment was made in 1986 wondering how possible it could have been to honour delivery without payment.

The auditors further revealed that 95,570,000/= (OC) was paid in new currency to Black Arrow Uganda Ltd., for delivery of 100 batteries and other items using invoice numbers 811 and 813. They further sought to know why the voucher on which the "new" money was

paid bore no number in addition to lacking the authority of Military Tender Board, MTB. "Why was old currency paid as new currency?" they queried.

Mr Muyinda replied: "the auditors landed on some voucher without a number. To us it was an internal level of accountability and some of our boys lack accountability skills, but it was not paid to the supplier in new currency".

The senior accountant in the Ministry Mr Kitembo said that at the time the money was to be paid, the Ministry had [word indistinct] adding that the supplier had acknowledged an advance payment.

The committee further blamed the officials for poor performance of their construction unit. It was observed that a local firm that had contracted construction of 20 pit latrines at Katabi military base had not only abandoned the contract before completion but that they had received an advance payment of Shs 20m/= out of 69.3m/= for the entire contract.

But investigations by auditors a week ago revealed that only five pit latrines out of 20 had been constructed. The Ministry officials said someone had received MTB that all was going well at Katabi. The committee demanded the liar to be brought to book. His name was not disclosed.

The auditors pointed out that contract for renovation of Entebbe Airbase at 597,012,600/= did not only lack authority of MTB, but that there was no written agreement between the contracting firm, Kapkwata Ltd and Ministry of Defence.

It was alleged 32.8m/= was paid in excess of the contract, but Ministry officials attributed this increase to revenue tax payment.

A survey by Auditor General's staff on the allegedly completed renovation revealed that the work done was sub-standard.

The auditors further said that some locks were missing in some buildings, but Engineer Sabiiti, the acting Chief Engineer Kibira of Construction Unit blamed the missing locks on looters but added that measures had been instituted to curb this down.

In the midst of the meeting, the press were asked to leave the room apparently to leave PAC members with ministry officials deliberate on security matters.

*** Editorial Praises Action Against Army**
34000427a Kampala THE NEW VISION in English
27 Apr 89 p 4

[Editorial: "The New Vision"]

[Text]

Military Courts Are Improving Discipline

This week the NRA [National Resistance Army] Court-Martial was once again in session as five NRA officers faced charges of murdering a suspect who had been arrested on suspicion of stealing an officer's pistol (NEW VISION, April 26, P1).

There has been criticism of NRA discipline at times in the last few years but the institution of a regular and effective court-martial is a sign of how times have changed. On yesterday's front page, there was a picture of five officers and a corporal sitting on the hard floor of the court wearing slippers. They were all turning their heads away from the camera because they were ashamed.

There is no question that NRA discipline has had rough edges at times. In this particular case, one of the accused, 2nd Lt Kalema, said that he had heard a man crying but that he thought he was being interrogated. Was this any excuse? There have been other problems with detainees in Masaka, Kampala and elsewhere. There were reports that civilians were killed during the NRA offensive in Gulu district last October and November.

What is significant about the Court-Martial is that it demonstrates the NRA is responsive to public opinion, that it recognises the authority of the people. Last month there was a controversy raised in the newspapers over a certain Lt Mwesigwa who had allegedly shot a man after he banged his car. Mwesigwa was arrested and is now facing the Court Martial (see P1). Whether or not Mwesigwa is found guilty, the NRA has taken action to ensure that justice prevails.

It should also be remembered that the NRA Court Martial is a tougher court than the civilian court. The accused do not escape on technicalities and do not manage to run away on bond. And the death sentence is often served and promptly carried out.

The point has been made before that in 1981 and 1982 the NRA had some problems with discipline in Luwero but the tough NRA Code of Conduct turned the NRA into a highly disciplined force that won the war at the same time as it won the hearts of the people.

The same process of building a people's army is now taking place but at a national level. The Court Martial and the courts at battalion and divisional level should keep up the good work in tightening NRA discipline. Ugandans can now look into the future confident that there will be peace and trustworthy army.

*** Rehabilitation Projects Outlined, Analyzed**
34000428b Kampala THE NEW VISION in English
29 Apr 89 p 4

[Article by Crispus Mundua]

[Text] The districts of Arua and Moyo suffered extensive destruction during fighting in the early 80's resulting into the flight of hundreds of thousands of Ugandans who

fled to Sudan and Zaire. One of the preoccupations of the government in the past few years has been to repatriate and resettle these returnees from the neighbouring countries. Over 350,000 of such Ugandans have already returned and resettled.

Another task, which is enormous to say the least, has been to rebuild the infrastructure like schools, health and community centres. Most of such structures and other permanent houses in the districts of Arua and Moyo were razed to the ground especially in 1980 and 1981. The areas most affected are the counties of Aringa, Koboko, in Arua District and virtually the whole of Moyo District.

A number of non-governmental organizations, (NGOs) have been doing a commendable job in the two districts for the past few years. The most prominent organizations involved in this 'silent' rehabilitation are the Lutheran World Federation (LWF) and CARE [Cooperative for American Relief Everywhere ?].

The Lutheran World Federation started its work as early as 1983 gaining momentum after 1986 with a package of four programmes. The first of these was the Uganda Returnees Programme, an agreement between the Uganda Government, the United Nations High Commission for Refugees, (UNHCR), and the LWF. This is the scheme which has resulted into the repatriation and resettlement of over 350,000 Ugandan returnees from the Sudan and Zaire.

The role of the UNHCR was to bring in the returnees into the four reception centres of Ombaci, Koboko, Yumbe in Arua District and Moyo. It then documented, screened and transported these returnees to their various places of origin. The role of the LWF was to provide relief items like blankets, utensils and farm inputs including hoes and seeds. According to the Assistant Coordinator of LWF, Mr Mark Ajobe, this programme was very successful: returnees have since built homes and opened up impressive fields.

While the UNHCR is winding up its operations in the districts of Arua and Moyo, the Lutheran World Federation continues to implement the other three remaining programmes. In collaboration with the Uganda Government, the LWF is assisting the returnees reactive agriculture. It provides the farmers with ox-ploughs and other inputs and offers technical advice. A revolving fund is also being given to cooperative societies for this purpose.

Under a bilateral agreement with the Ministry of Rehabilitation, LWF is rehabilitating primary schools, dispensaries and community centres in the two districts. The scheme involves teachers, parents and the community who are expected to lay bricks and provide labour and LWF provides cement and roofs the buildings.

Another tripartite agreement between LWF, the Uganda Government and the European Economic Community, EEC, is for the rehabilitation of roads, bridges and post primary schools in Arua and Moyo districts. This project is funded by the EEC and implemented by the LWF and work is already progressing in rebuilding Koboko and Yivu Secondary Schools. Koboko was one of the best secondary schools not only in West Nile but the whole of in Uganda. The school was completely destroyed in early 80's and was re-opened in 1987 after lying in ruins for seven years.

The LWF is also rehabilitating Lodonga Teacher Training College and building two new secondary schools, Obongi and Metu, in Moyo District. The bridges to be improved are on Rivers Enyau and Oru and some roads like the Koboko-Arua road will be repaired.

Under the fourth and last programme, the Lutheran World Federation is drilling boreholes with funds provided by the Swedish Government. Over 100 boreholes have already been drilled in East Moyo. While implementing these programmes, the LWF also trains the youth on the job.

The American-based organizations CARE and Experiment on International Living, (EIL) are also actively involved in improving the lives of the people of the districts of Arua of Moyo. These two organisations are implementing the West Nile Agricultural Rehabilitation Project, (WARP) at the cost of 5.3 million dollars. The United States government has contributed 4.3 million dollars, CARE 667,000 dollars and EIL 333,000 dollars towards the project.

This project started in July, 1986 and is expected to be completed by September, 1990. The seven activities included in the programme are in the areas of clean water provision and prevention of water borne diseases, forestry, construction, commodities, training and research.

CARE and EIL have embarked on drilling more boreholes and replacing the UI pumps with the more durable U2 ones, as the first step to provide clean water. Over 150 bore holes are expected to be drilled across Arua District alone. According to the Water Manager, Mr Joseph Oryekot, the project also involves the training of community based pump mechanics for maintaining the boreholes. These mechanics are provided with complete tool boxes and bicycles, and the community is expected to pay for the repair and upkeep of the pumps.

The second scheme is the protection of springs and over eighty percent of the work is community based. CARE provides cement, pipes and technical supervision while inputs like labour and sand are from the local people. The target is to construct fifty springs per year, and this will be speeded up with the additional funds received from USAID [United States Agency for International Development].

The rest of the activities have mostly put emphasis on the improvement of agricultural production in the region. Farmers are being made to understand the value of trees and encouraged to grow them in association with crops, the practice of agroforestry. This includes nitrogen fixing trees for quick regeneration of land, termite resistant plants like markemia and fast growing ones like leucaena. Over 450,000 seedlings have so far been distributed to the farmers for this purpose. The aim is to create about fifty community nurseries in the two districts to supply seedlings constantly.

The construction project involves the rehabilitation of veterinary and agricultural offices. West Nile Farm Institute near Arua town has already been wholly renovated and reequipped. The mechanical workshop has acquired equipment worth over 25,000 dollars and two 8.5 KV generators. Renovation of the poultry unit, the cattle dip and milking centre at the Farm Institute has also been completed.

Research and training form part of the project and this will be done both at the Farm Institute and on the job. Research will be carried out on soya beans, maize, sunflowers, piggery, poultry and ox ploughing. Collaboration with the Ministry of Education science teachers are being as a component of the scheme.

Other activities include the Oil Seed Project being carried out in the countries of Aringa and Ajumani. The commodities Programme involves the selling of improved brand of seeds to farmers at subsidized prices. Over 6.7 million shillings worth of seeds had been sold by January this year.

The Project Manager of this grand project, Mr Gregory Alex is optimistic that the people will benefit a lot from the programme.

These programmes are being carried out through a lot of difficulties. Insecurity had been a major problem especially within Arua District but reports indicate that there is some improvement.

Another big obstacle is with the procurement lines especially the Kampala-Arua road which is in a deplorable state. According to these organisations, it takes almost three weeks for a lorry to travel between Kampala and Arua during the rainy season. It also takes unnecessarily long periods of three to four months between the time of ordering goods and their delivery. All these problems escalate the cost of hiring lorries, thus the cost of hiring a seven tonne lorry from Kampala to Arua is over 350,000/- in dry season and much more in wet season. At times the roads between Masindi and Arua became so bad that nobody is willing to hire out his lorry.

Despite these daunting problems, the NGO's are doing a great job in West Nile. This region which grows arabica coffee, (in Nebbi) tobacco, cotton, maize, groundnuts and

many other crops has some of the poorest roads in the country. The Arua-Pakwach road which would have been bituminized in 70's is just being ungravelled by the present government.

*** Growers Prefer Local Crops to Coffee**
34000430 London AFRICA ANALYSIS in English
12 May 89 p 9

[Text] Kampala. Coffee is the source of 85 percent of Uganda's export revenues, but the farmers are increasingly indifferent to it as a domestic money-earner. This poses a serious threat to the country's plans for economic recovery.

There are two main reasons why such grudging attention is paid to the millions of robusta trees on farms across Uganda. One is that the Coffee Marketing Board (CMB) has been corrupt under a succession of regimes, so the growers have been paid long in arrears or have simply collected worthless IOUs in return for their sacks of beans.

There is much sardonic humour about the CMB—heightened earlier this year by a detailed expose of the blatant misuse, by the previous regime, of funds in the London office. One purpose to which coffee earnings were put was the payment of L200,000 to a British 'security' company. Defence Systems, to equip helicopter gunships for use against the NRA [National Resistance Army].

But more important is the fact that farmers now find it more worthwhile to produce a staple crop consumed locally—in particular matooke (green bananas)—for which they are sure of getting instant cash. There is a constant demand for matooke and, unlike coffee, its sales are not subject to the volatile world prices and quotas.

This switch to an organically-developed local market is largely the result of Idi Amin's expulsion of the Asian traders after 1971. Until then, Ugandans in the towns had relied more heavily upon processed food imported from Kenya or produced in local, Asian-owned, factories.

In the years of economic decline, a change came over eating habits among urban Ugandans. They reverted to the traditional crops from the countryside—these were cheaper and supplies in the markets were more reliable.

There is status value among the small middle class in being seen eating 'European' food. But the fast-growing population in general (at least half of the 16m Ugandans are under 15) gives farmers the certainty of a steady demand for their food output.

So coffee is being neglected. It is not uncommon to find in farmers' homes a stockpile of dozens of sacks of beans. Sometimes the owners complain that there has been no transport to collect the sacks—or else they seem merely indifferent. Green bananas have become better business.

Yet the amount of coffee available in Uganda seems limitless. Officials sent out with truckloads of heavily devalued currency to buy beans find that the money is used up long before they cover the designated areas.

The agriculture minister, Victoria Sekitoleko, thus faces a psychological problem in reviving enthusiasm for this vital export earner. Many of the trees are now reaching the end of their productive span, and output per hectare has slumped because of disease and the lack of fertilisers.

Worrall Comments on State of Emergency
MB1206171589 Johannesburg SAPA in English
1712 GMT 12 Jun 89

[Text] Greyton June 12 SAPA—Every black leader to whom National Party [NP] leader F.W. de Klerk had spoken recently had told him the lifting—not the reimposition—of the state of emergency was a precondition for serious talks, Democratic Party [DP] co-leader Dr Denis Worrall said tonight.

He told a DP meeting in the town hall here Mr de Klerk would get the same message from British PM [Prime Minister] Mrs Margaret Thatcher and other leaders he was going to talk to.

In fact, with the renewal of the state of emergency and the "foolishly propagandistic" approach the NP adopted toward the ANC [African National Congress] in the Linden by-election, "Mr de Klerk might as well stay at home and save taxpayers' money."

Portugal's Barroso Urges Europe 'Return'
MB1106063889 Johannesburg Domestic Service
in English 0600 GMT 11 Jun 89

[Excerpts] The Portuguese deputy minister of foreign affairs responsible for African affairs, Dr Durao Barroso, says Portugal believes South Africa is telling the truth when it says it is striving to bring about peace on the subcontinent. Dr Barroso, who is on a 5-day visit to South Africa, was the guest speaker in Johannesburg last night at a Portuguese national day ceremony. [passage omitted]

Speaking at the same function, the South African deputy minister of foreign affairs, Mr Kobus Meiring, said that the time was ripe for Europe to return to southern Africa, not as a colonial power, but to help uplift the region. He said that Europe had an important part to play in this field, and that South Africa had already accepted the challenge.

Mr Meiring said the Portugal and the Portuguese community in South Africa had an important role to play in the reconstruction of southern Africa, and in the evolutionary process in South Africa.

Yesterday Dr Barroso held talks in Pretoria with South Africa foreign affairs minister, Mr Pik Botha. Our political news staff reports that Dr Barroso will meet the leader of the National Party, Mr F.W. de Klerk, sometime this week.

Meets Kobus Meiring
MB1106195889 Johannesburg Television Service
in Afrikaans 1809 GMT 11 Jun 89

[Passages within quotation marks in English]

[Text] The South African and Portuguese deputy foreign ministers once more agreed to work toward peace and stability in southern Africa. They met last night at a

function in Johannesburg to celebrate Portugal's National Day. Clarence Keyter reports:

[Begin video recording] [Keyter] The celebrations were attended by more than 600 people, including the ambassadors from both Pretoria and Lisbon and mayors from Johannesburg and surrounding towns and cities.

Kobus Meiring, South African deputy foreign minister, said Portugal and the Portuguese community in South Africa had an important role to play in bringing peace and stability to the Republic and to southern Africa.

[Meiring] "I think we have reached the stage now that Europe must again come to southern Africa; in a different way, not the colonial way. It has to come to assist southern Africa. We in South Africa have a challenge to help southern Africa, to help ourselves in that way. But I have no doubt that Europe has a very important role to play."

[Keyter] Dr Durao Barroso, Portuguese deputy minister of foreign affairs and cooperation, said in his speech that his country believes in South Africa's sincerity in working toward peace on the subcontinent.

[Barroso] "We believe in the bona fides, we believe in the [word indistinct] of people here in South Africa to put people together and to work in peace for the government of this part of the world, and we want to go on with our presence in Africa, and our presence in Africa is the presence of the Portuguese community in South Africa, and parts of the Portuguese language in two countries that we like, that they are specific regions, but that we like because they are countries of Portuguese language, I mean, Angola and Mozambique. And we want to see that in peace." [end recording]

Interviewed on Southern Africa
MB1206201689 Johannesburg Television Service
in Afrikaans 1800 GMT 12 Jun 89

[Interview with Portuguese Deputy foreign Minister Dr durao Barroso by SABC reporter Clarence Keyter in the "Network" programs; date and place not specified; portions within quotations marks are in English—video recorded]

[Text] [Keyter] Dr Barroso, who visited South Africa to celebrate Portugal's national day, ended his 4-day visit today with a working lunch with Foreign Affairs Director General Neil van Heerden. Dr Barroso also held talks with Foreign Minister Pik Botha and Deputy Minister Kobus Meiring. Earlier today Mr Barroso also held talks with NP [National Party] leader F.W. de Klerk.

[Barroso] "I liked very much meeting him, and I hope that he'll have the opportunity to go in the direction people in this country are waiting to go.

[Keyter] "Before you came to South Africa, you also paid a visit to Mozambique and Zimbabwe, where you had discussions with Presidents Chissano and Mugabe. Do they share this commitment of yours to peace and stability in southern Africa?"

[Barroso] "I think they share the commitment. The problem is how to do it. There are different perspectives. I think for instance that President Chissano is very interested in regional cooperation, and he is looking for a more intense relation with South Africa ...

[Keyter, interrupting] "And President Mugabe?"

[Barroso] "He asked me: What did the Mozambicans until now gain with that situation? Is the situation better now after President Botha met President Chissano in Songo? They have signed Nkomati agreement. Are they better now? So, this was his point.

[Keyter] "Referring again to your continuous presence in the region and working towards peace and stability, do you see South Africa as a competitor or an ally?"

[Barroso] "I think South Africa has a great role to play in this region. There are some internal problems, as you know, and that I would not like now to address, that prevents it, South Africa, for having a more important role as the natural leader in terms of economy in this region. So, of course we want to work with South Africa, and we think we can do positive things in that field. And we think that its also important for South Africa to have that commitment of all the countries of the region, more interdependence, more regional cooperation, so that you can take the steps you think you can take internally, in peace and in dialogue. That is the Portuguese perspective at least, and I think the perspective of many European states and also African leaders.

[Keyter] "With what message would you be going back to your present prime minister?"

[Barroso] "That the situation is better in terms of dialogue here than it was some time before, that there is a greater awareness in this country of the need to establish good relations with the neighbors and to look for regional cooperation."

Slabbert Addresses 'Legitimate Leadership' Issue
MB0906062389 Johannesburg SAPA in English
2246 GMT 8 Jun 89

[Text] Grahamstown, June 8, SAPA—The problem faced by the Democratic Party [DP] on whether to negotiate with political organisations outside parliament and the "legitimate leadership" of the country were exactly the same as those facing Mr F.W. de Klerk, the director of the Institute for a Democratic Alternative to South Africa (IDASA), Dr Frederik van Zyl Slabbert, said in Grahamstown tonight.

Speaking at a Rhodes University Senate lecture, Dr Slabbert said the question of whether to nurture the white constituency and sacrifice negotiations had been looked at far more seriously by the DP than by the National Party.

The question whether an opposition party committed to an ideal of a non-racial democracy could play a role in parliament depended on whether that opposition group understood what the demands and desires of the extra-parliamentary groups were, and whether it was prepared to debate and talk to those organisations, Dr Slabbert said. He added it was easy for the government and the press to laugh at the problems and tensions facing the DP, but "the problems that it is experiencing encapsulates the tensions that are endemic to white politics generally."

Discussing the ANC [African National Congress], Dr Slabbert said the organisation was not willing to negotiate with the government under a state of emergency.

"They are not prepared to enter talks if the climate is not conducive to negotiations. This does not entail the release of (Nelson) Mandela into a state of emergency. The state of emergency has to be lifted and all political prisoners freed," Dr Slabbert said.

He said one of the most horrible feats of social engineering that the world had seen in the 20th century had been the determined attempt of the white minority to shape separate development and impose it on this country. Millions of people had suffered in this process, Dr Slabbert said.

Army Spokesman Claims Force 'At Its Strongest'
MB1006181489 Johannesburg Domestic Service
in English 1600 GMT 10 Jun 89

[Text] A member of the staff of the chief of the army, Major General Barry Ferreira, says the defense force has shown that it is at its strongest and that the army is not easily caught off guard.

Gen Ferreira said at a passing out parade for junior leaders at infantry school in Oudtshoorn that, although the country had developed highly sophisticated weaponry at great cost, the defense force's most important asset, its men, could not be bought.

Church Rejects 'Unsuitable' National Anthem
MB0806183389 Johannesburg Television Service
in Afrikaans 1600 GMT 8 Jun 89

[Text] The Anglican Church has accepted a motion in terms of which the national anthem, The Call, is rejected as unsuitable and unacceptable. This motion was accepted by the greater majority of delegates to the synod in Durban.

The church rejects The Call as the national anthem because it is felt that people are encouraged to place their country before God, meaning that God is not seen as superior to the state. The state is idolized in this way.

The church also says the national anthem is unacceptable to the majority of South Africans. People and institutions associated with the Anglican Church will not be forced to sing the alternative, the black national anthem, Nkosi Sikele l'Afrika, but would be encouraged to do so. The synod also called on the Anglican Church to use Nkosi Sikele l'Afrika at special events and church meetings.

Natal Bishop Michael Nuttle says although it will be difficult initially for some people to accept this decision in view of the political connotation to Nkosi Sikele l'Afrika, the church found that a growing number accepted the hymn. Bishop Nuttle says the church feels The Call has a divisive influence on the community, and this decision should serve as a sign that the community is a single group.

Doctors Test Chikane For Possible Poisoning
MB0906065989 Umtata Capital Radio in English
0600 GMT 9 Jun 89

[Text] South African Council of Churches general secretary, Frank Chikane, may have been poisoned. He has collapsed four times during trips to Namibia and the United States and has been admitted to hospital each time. His symptoms of nausea and vomiting have been the same each time. At one stage, he stopped breathing and had to be put on a respirator. Doctors have identified some form of poisoning, and more tests are being carried out.

Chikane says he may have absorbed the poison through clothing in his baggage during his trips out of the country. He says he does not know if the poison was deliberate or accidental.

Boesak: Poisoning 'Deliberate'
MB0906124689 Umtata Capital Radion in English
1200 GMT 9 Jun 89

[Text] Human rights campaigner Max Coleman believes agents of apartheid were responsible for the deliberate poisoning of the general secretary of the South African Council of Churches.

Doctors in the United States say they believe Frank Chikane's recent bout of severe illness was caused by an insecticide poison of which his clothing and baggage were contaminated. Church leaders would not accuse any one specifically, but Dr Coleman says police should start their investigations within their own ranks.

Church leader Alan Boesak said that any suggestion that contamination was accidental is totally unacceptable:

[Begin Boesak recording] I must speak on my own [word indistinct] and I must say as clearly as I possibly can that, to me, all of what they have today as evidence points to the fact that Frank Chikane has been poisoned and has been poisoned deliberately. [end recording]

Democratic Lawyers Representative Restricted
MB0906160789 Johannesburg SAPA in English
1603 GMT 9 Jun 89

[Text] Johannesburg June 9 SAPA—Human rights lawyer and chairperson of the Johannesburg branch of the National Association of Democratic Lawyers (NADEL), Mr Azhar Cachalia, has been restricted in terms of the 1989 emergency regulations.

A statement from NADEL received by SAPA this evening said the restriction order repeated all of the restrictions imposed on Mr Cachalia under the 1988 emergency regulations, and also placed him under house arrest from 2000 to 0500 every day.

NADEL condemned the restriction order and said it would make it extremely difficult, if not impossible, for Mr Cachalia to practice as an attorney with a nationwide practice.

"Will he be prosecuted (or detained without trial) for working in his office on a client's case after 2000? Every lawyer knows that he or she will, at some time or another, be required to work late into the night on urgent cases. Our colleague faces imprisonment for doing so.

"It is therefore not only in the context of the continuing abuse of human rights which the emergency regulations institutionalise, but also in the context of the proper functioning of the legal profession, that NADEL condemns the restriction of Mr Cachalia."

Authorities Ban Interviews With UDF Official
MB0906193389 Johannesburg SAPA in English
1835 GMT 9 Jun 89

[Text] Johannesburg June 9 SAPA—A new restriction order served today under the state of emergency on Transvaal United Democratic Front (UDF) vice-president, Dr Rashid Saloojee, includes an additional clause which forbids him from taking part in any media interviews.

Dr Saloojee was restricted in February last year after being detained under the emergency regulations.

The new order prohibits him from taking part "in any interview with any journalist, news reporter, news commentator or news correspondent."

Under his previous orders, which have been renewed, he is not allowed to participate in the activities of the UDF, the Transvaal Indian Congress, of which he was vice-president, the Federation of Residents Associations, of which he was chairman, the Lenasia Muslim Association and the Release Mandela Campaign.

Dr Saloojee, who is also vice-president of the Islamic Council of South Africa, cannot address any gathering of more than 10 people.

HE is also not allowed, except with the written consent of the SAP [South African Police] commissioner or the divisional commissioner for the Soweto division, to be outside the boundaries of Johannesburg and Vereeniging.

Authorities Place New Restrictions on UDF's Gumede
MB1206111889 Umtata Capital Radio in English
1000 GMT 12 Jun 89

[Text] Crucial Natal peace talks have been dealt a blow even before they have begun with the announcement of new restrictions on UDF [United Democratic Front] president Archie Gumede. Carmel Rickard has details.

[Rickard] The new restrictions were served on the United Democratic Front president, Archie Gumede, this morning. They are identical to the previous restrictions except for one key clause. Gumede is now restricted to his home in Claremont between 2000 [1800 GMT] in the evening and 0500 in the morning.

His lawyers are taking a serious view at the new order as they fear for his safety. They find out that people restricted in this way become easy targets for anyone wanting to attack the restrictees.

In addition, the restrictions will make it more difficult for Gumede to participate in promising peace talks aimed at ending Natal violence. If talks are held in the evening or in venue some distance from Durban, he will be unable to participate even though his presence is considered crucial to any such talks.

Tutu Criticizes Restrictions

MB1306144089 Johannesburg SAPA in English
1421 GMT 13 Jun 89

[Statement by the Most Rev Desmond Tutu, Anglican Archbishop of Cape Town, in response to restrictions placed on the Natal president of the United Democratic Front [UDF], Mr Archie Gumede—issued by the church of the province]

[Text] [No dateline as received] "The Anglican Church is outraged by the restrictions which the minister of law and order, Mr Adrian Vlok, has placed on the Natal president of the UDF [United Democratic Front], Mr Archie Gumede.

"For more than 18 months, Natal and national church leaders have been trying to bring to an end the conflict between political rivals in the province. During this period the government has acted only to hinder the process, never to help it. It has refused to contemplate an independent inquiry into the causes of the violence and it has imposed restriction orders affecting one of the parties to the talks.

"Last week a fresh peace initiative involving Inkatha and the UDF-COSATU [Congress of South African Trade Unions] alliance appeared to be bogged down in a dispute over a venue for talks. Our church's provincial synod sent a delegation of bishops to talk to both sides and, minutes before the synod ended last Thursday, we heard of an apparent breakthrough.

"Now, two days after talks about peace were to have started, Mr Vlok has restricted the activities of Mr Gumede, one of the strongest voices for peace in the region. We cannot interpret this as anything other than a deliberate attempt on Mr Vlok's part to perpetuate the divisions which have caused such frightful bloodshed in Natal.

"Our perception is that both parties want to work for peace and we are profoundly shocked by the blatant and crude way in which Mr Vlok is trying to sabotage the peace talks. I have told Mr Vlok in a telephone conversation today that his action is appalling and that unless he lifts the restriction order immediately, I will regard statements professing commitment to peace as so many lies.

"It is essential that the government abandons its partisan approach to the violence in Natal as a matter of the utmost urgency Mr Vlok has shown in negotiations over hunger strikers that he is amenable to reason. If he does not display this quality now, history will judge him and his colleagues very harshly indeed for their contribution to the terrible killing, maiming and destruction taking place in Natal."

Democrats React to Curbs

MB1306064689 Umtata Capital Radio in English
0500 GMT 13 Jun 89

[Text] The renewed and tighter restrictions imposed on the Natal president of the United Democratic Front [UDF] have been condemned as likely to make Natal peace talks more difficult. Carmel Rickard reports.

[Rickard] Renewed restrictions served on UDF President Archie Gumede yesterday added a new clause house arresting him at night. The new clause has raised fears for his safety as well as concern about its effect on his participation in peace talks.

Democratic Party MP, Peter Gastrow, accused the government of once more trying to sabotage promising Natal peace talks, saying it formed a by now well-established pattern, whereby the state intervened each time it seemed peace talks would get off the ground.

Inkatha President Mangosuthu Buthelezi also expressed concern at the restrictions but Leon Mellet of the ministry of law and order says there is nothing unusual about Gumede's restrictions, as he is one of more than 500 people served with orders under the emergency.

French Ministry Cites Restriction on Treurnicht
MB0806070989 Johannesburg Television Service in English 0500 GMT 8 Jun 89

[Text] A French Foreign Ministry spokesman has pointed out that it was understood that Conservative Party leader Andries Treurnicht should not make public declarations during his visit to France because he had applied for a visa for a private visit to the country. The spokesman was reacting in Paris to the protest by Foreign Affairs Minister Pik Botha against alleged freedom of speech restrictions imposed on Dr Treurnicht during his visit. Dr Treurnicht and his colleagues met journalists in Paris yesterday.

Minister Says ANC Committed to Violence
MB0806182489 Johannesburg Television Service in Afrikaans 1600 GMT 8 Jun 89

[Text] Defense Minister Magnus Malan says the ANC/SACP [African National Congress/South African Communist Party] remains committed to terrorism, violence, and propaganda and aims to take over the country.

General Malan spoke on the eve of the possible reimposition of the state of emergency at a seminar for senior management of the Defense Force and Armscor [Armaments Corporation of South Africa]. He said the government has a constitutional duty to protect the country against violence, to maintain law and order, and to assure the safety and normal life of people. Although there are signs in Africa of a greater willingness to cooperate, the ANC/SACP alliance remains committed to revolutionary violence aimed at innocent people.

He said the government aims to create a South Africa in which all people can live, move, speak, and work in safety. Balanced development in social and constitutional spheres is only possible under a security umbrella. Steps to maintain the security umbrella have to be taken, considering all the relevant facts, Gen Malan said.

ANC Said To Relax Stand on Cultural Boycott
MB1006200589 Maputo Domestic Service in Portuguese 1900 GMT 10 Jun 89

[Text] The chief ANC [African National Congress] representative in Maputo has given his backing to South African musicians who will perform at Machava Stadium on 30 June. Kingsley Xuma said the ANC's stand

on cultural boycotts has been relaxed to prevent harming apartheid victims. AIM cites Xuma as saying that the boycott of a South African artist or sports person depends on whether an individual is an adversary or supporter of apartheid.

ANC Literature, Detonators Seized in Durban
MB1006070989 Johannesburg SAPA in English 0707 GMT 10 Jun 89

[Text] Durban June 10 SAPA—African National Congress-South African Communist Party [ANC-SACP] literature as well as items which could have been used for explosive purposes, were seized by the South African Police in a raid on a house in Reservoir Hills, Durban yesterday.

Police liaison officer for Port Natal, Major Charl du Toit, told SAPA today that no arrest had been made but that investigations were continuing. The raid was made late yesterday by the security police following a "complaint".

A search of the house produce two carrier bags containing ANC-SACP literature. Also found were different types of time mechanism, (watches to be converted), as well as detonators which could be used for limpet mines, and materials that could have been used for the manufacture of explosives.

Major du Toit declined to give the address of the house.

New 'Urgency' in Government Reform Commitment
MB0806102689 Johannesburg SAPA in English 1014 GMT 8 Jun 89

[Text] Johannesburg, June 8, SAPA—A new urgency in the government's commitment to reform has become apparent in spite of the resignation of the minister of constitutional development and planning, Mr Chris Heunis, according to the South African Institute of Race Relations' latest quarterly COUNTDOWN.

The publication which is the institute's regular monitoring service to its members, states that reformist National Party [NP] MP's expect Mr F.W. de Klerk's accession to the leadership of the NP to improve reform prospects.

There also appeared to be a willingness by NP MP's to question policies which had been non-negotiable until now.

The MP's told COUNTDOWN's author, Mr Shaun Mackay, that they believed Mr de Klerk was likely to see the NP, rather than the security system, as his power base. Consequently they said they were now far more confident of their ability to influence policy and far more willing to express unconventional views.

The publication says that on the whole "the evidence suggests that a new political phase may be beginning in which, after a two-year lull, the government will begin giving priority to reforms designed to reach an accommodation with sections of black leadership.

Evidence of this change includes:

- Increased support within the NP for the idea of an 'open group,' whose members would not be classified racially and which would be recognised in the constitution,
- Indications from the minister of constitutional development and planning, Mr Chris Heunis, that the government is willing to review remaining racial laws,
- Acknowledgement by NP MP's that the tricameral system cannot meet black aspirations, even if it includes blacks, and
- Renewed attempts to persuade 'moderate' black groups to negotiate with the government. In the meantime both government and local authorities see the new black local authorities forum (the National Forum) as a vehicle for informally discussing black aspirations.

Although the NP has not formulated detailed plans to implement its intentions, the research emphasises the importance of its growing willingness to question past certainties.

"The thinking of many members of the NP caucus is running well ahead of government policy," COUNTDOWN says, and adds that MP's from the House of Representatives and the House of Delegates believe that the NP will adopt a more pragmatic approach that will accelerate reform and may increase their influence.

The publication warns, however, that the government's new mood must be placed in perspective. It points out that Mr F.W. de Klerk's first policy speech as NP leader confirmed that the party is still firmly committed to a system based on racial 'group rights'—and all proposed changes are being considered within the 'group rights' framework only.

In addition, own affairs administrations, which embody the 'group rights' principle, acquired new powers during the quarter under review. Mr de Klerk is actively encouraging this process.

NP MP's appear to favour the South African Law Commission's proposed bill of rights only because they believe it is compatible with 'group rights'.

The report nevertheless notes a growing flexibility within these limits, as well as a new attempt to show that 'group rights' can be implemented in non-discriminatory ways.

"Perhaps the most important consequence is an acknowledgement that a 'group-based' system must not allow one racial group to impose its will on the others—as the white group can in the tricameral system."

COUNTDOWN suggests the NP might be moving towards a system in which each group would have equal powers, regardless of number.

"Although this would still allow the white group to block changes proposed by black representatives, it would give black people increased influence in central government.

Heunis Urges More Work on Integrated Development
MB0906125489 Johannesburg SAPA in English
1234 GMT 9 Jun 89

[Text] Pretoria June 9 SAPA— Much more should, ideally, be done to promote integrated development programmes in South Africa, the minister of constitutional development and planning, Mr Chris Heunis, said today.

Addressing a press conference at a farewell function held for him by the national regional development advisory council, he said a re-evaluation of the regional development plan for South Africa had found that the industrial regional development programmes were addressing a real need.

Development had to be seen in its broadest context and attention had this week been given to ways in which the self-governing territories had to be involved in multi-lateral development actions.

Mr Heunis, who is quitting the cabinet and parliament at the end of this month, declined to divulge details of his future plans.

He said it had been pleasant working with the council.

The council's chairman, Dr Piet Rautenbach, said he was sure they would in future reap the benefit of work Mr Heunis had done.

*** U.S. Disinvestment Curtails Social Programs**
34000529a Johannesburg SUNDAY TIMES (Business)
in English 7 May 89 pp 1, 3

[Article by Robyn Chalmers]

[Text] American disinvestment from South Africa [SA] has meant the loss of up to R100-million in social responsibility programmes.

The American Chamber of Commerce in SA (Amcham) says this is the amount that would have been spent on education, social justice and community development by U.S. companies had not 113 of them withdrawn in the past six years.

Amcham says that in the year to June 1987, American subsidiaries contributed R93-million to social responsibility programmes. In the year to June 1988, they contributed R86-million.

That could fall as the number of quitters grows. Had all U.S. corporations stayed, the amount being spent could now exceed R200-million. U.S. leverage over SA has also declined because of divestment.

Burden

Most U.S. companies selling out have required buyers to maintain programmes for some years, so the negative effects of these withdrawals on social responsibility could take three to five years to be felt fully.

Urban Foundation chief executive Sam van Coller says: "It must be assumed in the medium term that this support will decline."

According to David Hauck, director of the Investor Responsibility Research Centre in Washington, SA managements that have effected buyouts from U.S. companies will be under pressure to chop programmes to relieve a financial burden.

The example of U.S. corporations induced many SA companies to set up programmes of their own.

Barlows general manager, group human resources, Andre Lamprecht says the social programmes of SA companies now have an impetus of their own. Although the declining U.S. example will be missed, he doubts whether existing programmes will be affected by disinvestment.

Education

The generous social responsibility programmes of Mobil, which announced the sale of its SA operations last week, are to be maintained, says buyer Gencor.

It has underwritten the R40-million Mobil Foundation for five years and will probably continue the foundation after that, says Gencor director Bernard Smith.

Few SA managements which took over the operations of U.S. companies admit to reducing social programmes. They claim to have maintained them at former levels.

ISM, for example, spent between R2,3-million and R2,5-million on social responsibility in 1988, and does not foresee diminution in the coming year.

When Exxon withdrew, it placed all shares in the hands of staff members and contributed R20-million to educational and other programmes. Zenex, the SA offshoot, says it has maintained them.

Bottlers

Coca-Cola claims to have increased its social budget. Sandy Allen, managing director of National Beverages, licence holder of the franchise, says: "Before Coke disinvested in 1986 its social spending was R275,000. This year, we will spend R1,4-million. We are trying to influence other bottlers to move in this direction."

Two companies that acknowledge trimming social programmes are Carlton Paper and Unisys. Unisys received a statement of principles category 1 rating in the 10 years before it withdrew in 1987. It spent more than 12 percent of its annual payroll expenses on social responsibility in 1987—an estimated R4-million.

Datakor, which took over, ditched the programme, saying it could not fund such a budget.

Carlton Paper opted out of the statement of principles (formerly Sullivan Principles) last year in a cost-cutting exercise. It saved more than R2-million. Programmes in education, training, community development and social justice lost out.

The 12th SoP [Social Programs] report says: "The year to June 1988 has seen a significant reduction in the number of signatories, which has dropped from 92 to 70. This decrease is the result of companies withdrawing from SA."

"No continuing operation in SA of a signatory which has withdrawn remained as a signatory. The new owners have been unwilling to accept the SoP."

U.S. companies that have stayed find themselves shouldering the moral burden. They are continually approached for aid by organisations left high and dry by disinvestors.

The Chemical Workers Industrial Union (CWIU) declared a nationwide dispute last year with oil companies largely because of this.

A National Union of Metal Workers of SA spokesman says there has been no direct detrimental effect on workers.

SA Institute of Race Relations research officer Monica Bot said in a recent article that education was the largest item in a company's social responsibility budget.

"Over the past few years, however, private sector spending on education has not increased, largely owing to the fact that between 1985 and 1988 the number of companies that are members of the Signatory Association has declined from 183 to 70, and new owners have not continued the same level and type of support."

State 'Confusion' About Free Settlement Areas
*MB0806103789 Johannesburg SAPA in English 1018
GMT 8 Jun 89*

[Text] Johannesburg June 8 SAPA—Non-racial local authorities could emerge out of free settlement areas, but government plans for these areas could also result in more Conservative Party controlled city councils, according to research released today by the South African Institute of Race Relations.

Examining possible consequences of the government's plans for local government in residentially open areas, the latest quarterly COUNTDOWN, the institute's publication, points to considerable confusion in the ranks of both government and its opponents.

The local government in Free Settlement Areas Act provides that residents in these areas will be represented by multi-racial management committees which will have the power only to advise the local authority. At the same time, white voters in these areas will be entitled to remain on the white municipal voters' roll.

According to COUNTDOWN these provisions are now disconcerting government, as well as opposition municipalities.

The government fears that segregated local government might become unworkable if large numbers of free settlement areas are proclaimed. Hence the first meeting of the Free Settlement Areas Board was told by the retiring minister of constitutional development and planning, Mr Chris Heunis, that the Free Settlement Areas Act should be applied carefully "because it will affect voting right".

On the other hand, COUNTDOWN points out, a situation could arise which might deter opposition municipalities from applying for free settlement area status.

For example, if an entire town or city were declared a free settlement area, a minority of white voters could elect to remain on the municipal roll, and this could create the opportunity for the Conservative Party to control the city council.

Institute Sees 'Erosion' in Group Areas Act
*MB0806123989 Johannesburg SAPA in English
1149 GMT 8 Jun 89*

[Text] Johannesburg June 8 SAPA—It is unlikely that the government will be able to prevent the further erosion of the Group Areas Act, according to the South African Institute of Race Relations.

It noted that last year only three per cent of complaints about group areas violations dealt with by the police resulted in prosecution.

The latest quarterly COUNTDOWN, written by Shaun MacKay, pointed out the government's decision to drop the Group Areas Amendment Bill meant it would not be possible to evict black people from white suburbs unless alternative accommodation was provided for them. This was in line with a previous court judgment.

Now socio-economic pressures would probably determine the pattern of residential integration in South Africa, COUNTDOWN said.

Interviewing National Party MPs in the wake of the bills' abandonment, COUNTDOWN found some were looking for a way to maintain the "group character" of suburbs outside of legislation, while others were thinking in terms of legislation which was not discriminatory.

The principle of separate areas was still central to NP thinking, COUNTDOWN noted, and reported that NP MPs were hoping to be able to devise a "fair" way of implementing it and thereby reduce conflict.

They were thinking in terms of a community relations bill which would incorporate group areas and separate amenities measures, it said.

Senior Labour Party MPs said this was merely "window dressing". If a committee were appointed to examine a community relations bill they would join it but would continue to insist on the total repeal of laws enforcing residential separation.

The publication said the government continued to hope it could prevent black people from settling in white-designated suburbs by providing sufficient black housing elsewhere—but it was unlikely that current black housing plans would provide enough housing.

Acknowledging this, a minority of NP MPs said they believed the demise of legally enforced residential separation was inevitable and that free settlement areas would gradually prepare white South Africans for this.

The chairman of the Free Settlement Areas Board, Mr Hein Kruger, indicated the board would not seek to restrict free settlement areas or necessarily be bound by white opinion.

"But because the board can usually investigate potential free settlement areas only if specified organs of government request this, its scope for expediting change will be limited", COUNTDOWN said, adding that recommendations by the board would be subject to the approval of an increasingly undecided government.

Race Institute Breaks Out of 'Liberal Laager'

*MB0706183389 Johannesburg SAPA in English
1738 GMT 7 Jun 89*

[Text] Johannesburg June 7 SAPA—The South African Institute of Race Relations has broken out of the liberal laager, the executive director of the institute, Mr John Kane-Berman, said in Johannesburg this evening, according to a statement issued by the South African Institute of Race Relations.

Addressing a meeting of corporate members to mark the institute's diamond jubilee, Mr Kane-Berman said that the institute had in the past spent a great deal of time preaching to the converted, but that it had not got very far. It had therefore decided a few years ago to seek a wider audience.

This had meant a fundamental shift in style and thrust, and the strategy had been successful. Institute publications were now sought right across the spectrum—from a range of government departments in Pretoria to Eastern European embassies elsewhere in Africa to people in Moscow.

"We knew that in breaking out of that laager we could wave goodbye to most of the funding from foreign churches and foundations on which we had once relied, so we did not take the decision lightly or without some opposition from within our own ranks.

"However, we took the step anyway and it has paid off. With the exception of our bursary programme, which is funded by foreign taxpayers, we are now very largely a locally financed organisation".

The institute had recently supplemented its fact-finding research with a programme of policy research designed to develop strategies to expedite the disappearance of apartheid, Mr Kane-Berman said.

There were now great opportunities in South Africa for policy research. These had not existed in the days of hardline apartheid, the statement said.

"However, since hardline apartheid policies have been increasingly found to be unworkable, people in Pretoria are looking more and more for pragmatic as opposed to ideological solutions. Pragmatists are susceptible to influence, whereas ideologues are not.

"Ideological meltdown in the corridors of power is one of the most important factors facilitating change," Mr Kane-Berman said.

He added that eventually all statutory racial discrimination would disappear, although this meant "the politics of the long haul rather than the politics of the quick fix."

"Incremental change is getting us there", he said.

"Many people seek to discredit incremental change and to stigmatise it as a substitute for fundamental change, but it is in fact a means to that end, not a substitute". Nor was the South African Government the only participant in the change process. In many cases it had been a spectator rather than an actor—for example, when hundreds of thousands of blacks made the pass laws unworkable by moving to town anyway.

"Change is in any event too important to be left to a government whose heart is not really in it anyway. Other people, including business, have opportunities to push change ahead of the government", Mr Kane-Berman said.

Stellenbosch University Workers Protest Bans

*MB0806142989 Johannesburg SAPA in English
1406 GMT 8 Jun 89*

[Text] Cape Town June 8 SAPA—About 1,000 Stellenbosch University employees are on strike in protest against the expulsion of student Leslee Durr and the barring of the Black Students Organisation and the national Union of South African Students.

The workers, from all departments, including residences, gardens and maintenance, are demanding the right to peaceful protest on the campus.

About 500 employees—all members of the Transport and General Workers' Union—gathered at the student cafeteria in the Langenhoven Student Centre today.

Others sat at their work-places refusing to work.

Trouble started yesterday when a worker at the Dagbreek men's residence was suspended without a hearing.

A worker, who did not want to be identified, said: "The laws applied to Leslee Durr also apply to us.

"The administration sent the union a letter a week ago saying that peaceful protest was not allowed on campus.

"That is one of the union's most powerful weapons and it cannot be taken away from us."

Grievances about victimisation, working hours and inadequate pay were also expressed.

A shop steward said: "We are aggrieved about the way the new labour relations officer, Mr Deon Jordaan, is operating.

"We feel he has been given a mandate to crush the union at Stellenbosch by his attitude and by not working inside our recognition agreement."

Posters saying "Equal Rights For Everyone on Campus," "US Supports Racism" and "We Demand Ms Leslee Back on Campus" have been put up.

Ban on Student Leader Lifted

MB1406063289 Johannesburg Domestic Service
in English 0500 GMT 14 Jun 89

[Text] The University of Stellenbosch has lifted its suspension of the NUSAS [National Union of South African Students] leader on the campus, Miss Lesley Durr, and its ban on NUSAS and the Black Students Association.

The registrar, Mr Koos Olivier, consents in a statement that the university has decided to revoke the decision of the disciplinary committee of the university council against Miss Durr and the two organizations and by so doing clear the way for a new hearing. He said the new hearing would be held as soon as possible and that it would be conducted by people who had not been involved in the previous disciplinary inquiry. He said the parties would also be permitted to have legal representation.

The university said that its decision had not been influenced by any demands that had been made upon it. It regarded the rule against the holding of demonstrations on its campus as a valid one. However, the university considered it to be of the utmost importance that any disciplinary measures against students should be above suspicion.

Miss Durr confirmed that she had been informed of the lifting of her suspension and of the new hearing.

Petition Seeks Nonracial Stellenbosch University

MB1106075689 Umtata Capital Radio in English
0700 GMT 11 Jun 89

[Text] A petition calling for Stellenbosch University to be declared nonracial has been sent to State President P.W. Botha. The SUNDAY TRIBUNE reports that the petition has been sent by 1,500 staff, students, and workers at the university. The petition follows a demand to Stellenbosch University rector, Mike de Vries, that he reinstate expelled NUSAS [National Union of South Africa Students] president, Leslee Durr, and lift restrictions placed on two campus organizations.

Afrikaner Students Seen 'Increasingly Critical'

MB1206071589 Johannesburg SUNDAY STAR
in English 11 Jun p 12

[By Pierre van der Spuy, student representative council chairman at Stellenbosch University]

[Text] Stellenbosch, the university seen as the nucleus of Afrikaner intellect, the Oxford and Cambridge of Southern Africa, is feeling the winds of change in South Africa.

Until recently, the Afrikaner student had fallen into political apathy which boded ill for the future. This was a result of 40 years of government through selfish discriminatory laws. For many Afrikaners, the National Party's [NP] word was law.

This illusion of unassailability made Afrikaans campuses ivory towers amid strong streams of protest by the broad South Africa community. The calls of millions without the vote or basic human rights fell on deaf ears.

At election time, the Afrikaans student supported his parents' old stalwart—the NP. Its education system had its good points but extinguished the flame of criticism.

With a few exceptions, that applied until 1985 known as the Verster era after the then SRC [Student Representative Council] chairman, when for the first time people stood up against the wishes of the Afrikaner community. Afrikaans student leaders talked to the ANC [African National Congress].

After the Verster era, a backlash resulted two dogmatic pro-Nat SRC's. But this year a student council was elected with one goal—open debate. At all costs we want to break down barriers between South Africans.

We want to hear people's fears and expectations—all people, from far-right to far-left.

With this goal we went to Lusaka, to experience the feeling of black majority government. There were talks with the ANC. For many student leaders, the greatest disillusionment was to realise that all were victims of propaganda.

These people were just like us. They told jokes, laughed, and dreamed of a new, just South Africa.

Not everything the ANC said was agreed with. Violence, especially, was a problem. That there was hope for mutual respect and future dialogue was clear.

The visit shocked the Matie [Stellenbosch University Student] community to its foundations, but taught Afrikaner student leaders to be more critical, to stand up for their beliefs even against the wishes of the community.

Then came the banning of the Voelvry concert on campus. A protest meeting of 1,500 students was held. They asked the authorities to review the decision. The critical flame had been lit.

Then there was the peaceful protest on campus against a decision by the university council not to open hostels. That resulted in eggs and milk being thrown by moderate students who were not against the merits of the case but opposed the radical image which NUSAS [National Union of South African Students] gave the university. This did much damage to progressive politics.

Most students are against radical actions and are prepared to oppose radicalism.

The expulsion of Miss Durr, NUSAS chairman, and the effective banning of NUSAS and the BSOS (Black Students of Stellenbosch) for four months followed.

There was much sympathy for Miss Durr and the organisations. Two protest meetings were held, attended by 1,500 and 800 students respectively.

The rector proposed that written submissions be sent to the university council. This was not done and NUSAS continued with protest marches, demands, organising mass meetings, and demands for cancelling the intervarsity.

Most students lost sympathy for the case. This led to bad feelings between black workers and white students at a time when we cannot afford to damage relations between white and black.

These are therefore challenging times. South Africa is feeling birth pains which all will soon experience. Nobody can predict how this newborn country will look.

This is how things are now. Afrikaner student leaders are increasingly critical of authority; they are prepared to stand up for their beliefs. But most students reject unnecessarily emotional actions and see them as counter-productive.

Most student leaders believe grievances must be debated in an orderly fashion before there are peaceful protests. They support the right to hold peaceful marches as long as they do not disturb the normal academic atmosphere and administration.

Most student leaders support scrapping the Group Areas Act on campus. They are committed to a just but orderly South Africa with equal rights for all, irrespective of race or sex.

The next five years will be marked by strong reform initiatives by the NP Government. It will become increasingly clear to the Afrikaner student that his exclusive domination of the past four decades is crumbling.

Projections show that by the year 2015, 50 percent of all students at Afrikaans university will be black and that in the year 2030 only four percent of South Africans will be white. This shows that integration is unavoidable—something more conservative Afrikaners do not yet perceive.

The increasing unrest in the country will be felt in Stellenbosch. Trade unions will play a greater role and strikes could be the order of the day—a form of protest unacceptable to most Afrikaans students. Peaceful marches will occur more often.

My wishes are for a future of order in my Alma Mater where differences between black and white students, resulting from decades of artificial barriers, must be debated in a rational manner. Emotion must be away from the campus.

Student leaders must carry their message responsibly. A new motto must emerge among Afrikaners—to be progressive in thought does not mean being radical in action.

Stellenbosch, a university which has already produced six State Presidents and Prime Ministers, is entering a chapter of its history in which its leadership role will be vital for stability in South Africa.

Japanese To Offer Support to Black Businessmen
MB0906102389 Johannesburg THE STAR in English
9 Jun 89 p 13

[By Jabulani Sikhakhane]

[Text] Black businessmen could soon be exporting their own [words indistinct] worldwide network of Japanese trading houses if current talks between the two groups are successful. Japanese consul-general, Shin Horiuchi, said earlier this week: "We are willing to help black businessmen export their products to any country. We have had lots of contacts with black business. There are a number of exchange programmes with black leaders."

Mr Horiuchi said Japanese businessmen were still trying to identify what form their co-operation with black business would take. Consultations have been held with the two leading business bodies, the National African Federated Chambers of Commerce (NAFCOC) and the Foundation for African Business and Consumer Services (FABCOS).

Sanctions have posed a problem.

Japanese businesses operating in South Africa are under pressure from their government to cut the volume of trade with SA.

Unlike the U.S. Japan does not have any direct investments in SA except for trading houses.

Several NAFCOC officials, including its president Dr Samuel Motsuenyane, have visited Japan as part of an exchange programme between black business and Tokyo.

In turn, six general managers of Japan's top companies visited NAFCOC's head office in July last year. Ashley Mobogoane, FABCOS client liaison manager, confirmed that his organisation had had discussions with Japanese businessmen.

"We have established a rapport with Japanese businessmen. The ideal is to look for areas of mutual co-operation.

"The ideal situation would be the transfer of technology to black business and joint manufacturing ventures between the two groups."

Mr Mabogoane said Japanese businessmen already operating in South Africa needed the support of their SA counterparts to stem the tide of pressure on them to cut the volume of trade with SA.

"The only price one can pay is to be seen to be doing business with black entrepreneurs. In terms of the 1986 U.S. Anti-Apartheid Act, there is support for trade with an investment in black-owned businesses or those whose majority shareholdings are in black hands," he said.

In terms of the Act, the Export-Import Bank of the United States—a U.S. Government agency that facilitates the export financing of U.S. goods and services—has to make available its two financing programmes to black-owned businesses or firms with a majority black shareholding.

Mines Chamber Refuses Talks on Minimum Wage
MB0806193989 Johannesburg SAPA in English
1931 GMT 8 Jun 89

[Text] Johannesburg June 8 SAPA—The Chamber of Mines has refused to negotiate a national minimum wage for the mining industry, the National Union of Mineworkers (NUM) said tonight.

In a statement after its third session of negotiations of wages and conditions of employment on gold and coal mines, the union said the chamber had refused to give a commitment that it would move towards a national minimum wage.

It had also refused to negotiate wages in rands and cents terms and insisted on offering percentage increases across the board despite the different wage rates in the mining houses.

"This practice causes the gaps between the wages scales of the mining houses to grow, leading to increased inequalities."

Percentages were also not easily understood by the majority of NUM members, the statement said.

The NUM decided at its 6th national congress to conduct wage negotiations in money terms, as the separate wage scales in the coal and gold mining industries caused anomalies and inequities.

However, the statement said the Chamber of Mines had rejected any suggestion that the mining industry move away from supporting separate and different group wage scales, one for each mining house.

"Our members do the same work, but the chamber insists that they must be paid different wages.

"The chamber has challenged the NUM to ignore its congress resolution and accept the 'historical' system of raising wages by percentages only... we cannot do this."

The NUM negotiating team had consequently asked for a week's break from the negotiations to allow full discussion and consultation within the union on the chamber's rejection of its proposals.

A spokesman for the Chamber of Mines, Mr Johann Liebenberg, told SAPA the pre-conditions set by the NUM at its congress were unacceptable.

The chamber had asked the union to accept the basis of negotiation which had been in practice ever since the NUM was recognised in 1983.

He confirmed the union had asked for a week's break, adding the chamber had agreed to meet the negotiating team on 14 June.

Chemical Workers Protest Labor Relations Act
MB1206153389 Johannesburg SAPA in English
1352 GMT 12 Jun 89

[Text] Johannesburg June 12 SAPA—The Chemical Workers Industrial Union (CWIU) this weekend came out strongly against the Labour Relations Act.

In a statement to SAPA after its biannual national congress held in Johannesburg, the CWIU said the act was the "spearhead" of a major attack on unions by "capital" and the state. The union also called for an international worker summit to consider a programme of action against the act.

The congress reaffirmed the "dire need" to achieve one union in the chemical industry, and called on all unions to urgently debate the issue of a negotiated settlement. It pledged to counter sexism in the industry and agreed on a plan to strengthen shop floor structures.

The union also expressed grave concern over the way the housing crisis was allegedly used by employers and the state as a "political tool to debilitate the struggle" and said it would campaign against the Group Areas Act and squatting bills.

The general secretary of the National Union of Metalworkers (NUMSA), Mr Moses Mayekiso, highlighted the probability of some form of negotiated settlement in South Africa and called for unity in the working class. Mr Mayekiso and the first vice president of COSATU [Congress of South African Trade Unions], Mr Chris Dlamini, both called for an intensive campaign against the Labour Relations Act.

The congress strongly condemned Mobil and Goodyear for failing to give the CWIU and NUMSA (National Union of Metalworkers of SA) proper notice of their disinvestment and pledged to support Mobil and Goodyear workers in their struggle for a fair disinvestment procedure.

The previous president, Mr Calvin Makgaleng; National treasurer, Mr Ronald Mofokeng; and General Secretary, Mr Rod Crompton; were returned unopposed. A new vice-president, Mr Don Gumede, was elected.

Transkei Releases Expenditure Estimates
MB0806070589 Johannesburg SAPA in English
2209 GMT 7 Jun 89

[Text] Umtata, June 7, SAPA—Transkei's military government has budgeted to spend a record R2.31-billion during the coming year according to estimates of expenditure for the 1989/90 financial year. Released in Umtata today.

The budget will be balanced by internal revenue of R1.13-billion and R900-million in budgetary aid from South Africa, with a budget deficit of R284-million.

The budget exceeds that of last year (R1.95-billion) by R400-million.

The largest share of the budget (R551.7-million) will go to the Department of Education and the second largest (R396.4-million) to the Department of Welfare and Pensions, an increase of R150.8-million.

The third department to get a big share is the Department of Finance with an increase of R2.4-million to take the budget up to R359.4-million compared with last year's R200-million in expenditure for the servicing of loans.

An amount of R247-million goes to the Department of Health—an increase of R52-million over last year's share.

The department of works and energy will be getting R195.4-million.

The sixth largest share of R141.8-million has been allocated to the Department of Agriculture and Forestry.

Other departmental budgets include: commerce, industry and tourism (R69-million), Police (R65.4-million), Defence (R55-million), transport (R48.2-million), and posts and telecommunications (R44.04-million)

The government said in its announcement it expects to collect revenue from various sources locally including: R460-million from customs and excise, R308-million from general tax, R103-million from general sales tax, R62.4-million from income tax, R27.6-million from post office revenue and R21.8-million from the fund for compensatory payment for circulation of rand currency.

Other revenue sources are the Development Bank of Southern Africa (R110.5-million) and the Corporation for Economic Development of Southern Africa (R28.7-million).

*** Minister Criticized for Advice on Spending**
3400529b Johannesburg SUNDAY STAR in English
14 May 89 p 13

[Article by John Spira]

[Text] Thanks to decades of economic and political mismanagement, the South African economy is facing its worst-ever crisis.

One of the characteristics demanded of a leader is that he leads by example.

It is ironic, therefore, that the South African Government expects the nation to cut back on spending when the State has so ably taught the consumer a consummate lesson on how to live beyond one's means.

Not since the early 1970s has Pretoria remained within its Budget. Yet Finance Minister Barend du Plessis is enjoining South Africans to do just that. Should not the master be taking a lesson from the pupil?

At least the taxpayer has an excuse for spending more than he earns. He has no option but to contribute increasingly onerous amounts to the Receiver of Revenue in order to finance Government's profligate spending programmes. Often, he must live beyond his means simply to survive.

Nor does his justification for spending his all end there. Much of his hard-earned money is extracted from him to prop up the growing empires of the nation's many State departments—money which, in turn, is spent inefficiently and unproductively.

The result? Galloping inflation, which further squeezes the taxpayer's fast-shrinking disposable income.

Given so gloomy a scenario, it defies logic that the Finance Minister is actually able to go public on a plea to consumers to tighten their belts.

Thus far, the Nationalist government has managed to escape the wrath of the man-in-the-street at the polls. Ever since the 1940s, South Africans have been voting on the basis of "swart gevaar"—a concept carefully and cleverly nurtured by successive administrations.

But the conviction is fast-growing that the old faithful is losing its former efficacy, partly because it's a call that is rapidly becoming the preserve of the Right and partly because the bread-and-butter issues that dominate elections in most industrialised countries are eventually coming to the fore in South Africa.

Indeed, for the Nationalists, the spending chicken, tainted with an apartheid brush, is hurrying home to roost, precipitated by a crippling foreign debt repayment schedule.

This year's \$1.7 billion in debt obligations will be handled without too much hardship. But over the next two years an additional \$3.6 billion falls due.

Total capital outflow for 1989 is estimated to be in the region of \$1.3 billion and with the country's gold and foreign exchange reserves standing at a precipitously low \$2 billion, the gravity of the problem is evident.

Significantly, it is the dollar figures that are relevant—not their rand equivalents—since the nation's creditors don't want rands. And the problem is exacerbated by the steadily declining rand, with more rands having to be earned to repay the debt each time the rand falls against the dollar.

What one is looking at here is a vicious cycle in which the external values of the rand is determined by the level of foreign confidence in South Africa—a confidence level which is being consistently eroded by:

- South Africa's sky-high inflation rate (the result of many years of excessive Government spending).
- Political uncertainty (the result of 40 years of apartheid government).
- Low economic growth rates (the result of a crippling taxation burden).
- Dwindling foreign exchange reserves (the result of decades of economic and political mismanagement).

This is why—a scant four months before an election—the Government has been literally forced to impose stringent clamps on the economy. Imports must be heavily curtailed in order to build up reserves of foreign exchange and the authorities have chosen to achieve this objective by dampening domestic demand on a broad front.

If demand doesn't fall meaningfully, imports will continue at their present high level and there won't be enough in the kitty to repay foreign debt.

Why don't the powers that be simply roll over the debt? After all, other countries have been successful in doing so, while yet others have simply refused to pay on the grounds that domestic upheavals occasioned by the economic austerity necessary to generate the foreign exchange would overturn the government of the day.

It isn't that easy.

For one thing, some 50 percent of the upcoming debt repayments is in the form of bearer bonds. The anonymous owners of these bonds (many of whom could be American, British or German widows) have a full legal right to repayment on due date, failing which they can take the South African Government to an international court of law. Such a scenario is obviously to be avoided.

For another, the creditors in question don't have enough confidence in South Africa to agree to deferred repayment of their loans. They reason that the South African economy is in such dire difficulty that unless they get their money in the next couple of years, they might never see it.

Finally, a unilateral decision on the part of the South African authorities not to repay foreign debt would irreparably impair the country's access to international capital markets in the years ahead. And while such doors are currently closed, they could open again at some time in the future.

So the Government is in a corner. The loans must be repaid and if the recent tightening of the economic screw proves insufficient, more of the same will be forthcoming.

Alternatively:

- Pretoria could impose direct controls on imports, totally forbidding the purchase of all foreign goods other than those which are essential to keep the economy going. This is a last resort, since it would run counter to the rules of the General Agreement on Tariffs and Trade (GATT), of which South Africa is a member.
- The country could mortgage its future gold production in order to raise the necessary foreign exchange. But South Africa's gold mines are operated by the private sector of the economy and the mines, acting in the interests of their shareholders, might not wish to sell their future output at the current low price. Besides, Government interference in the private sector on such a scale is anathema to a free enterprise economy.

To John Citizen, it matters not a great deal how events evolve in the next couple of years. He'll just continue to suffer.

His only course of action is to protest against the administration's gross errors of the past by placing his cross where it should be placed come 6 September.

* **Disinvestment's Influence on Unions Examined**
34000529c Johannesburg SUNDAY TIMES in English
7 May 89 p 19

[Article by Brian Pottinger]

[Text] When Mobil Oil skedaddled last week it did more than end a 60-year association with South Africa: It wrote the epitaph for disinvestment as any sort of coherent policy.

There remains small comfort in this, given that more than half the U.S. companies which were doing business in South Africa [SA] seven years ago have already left and others are about to.

Yet, after all the tiresome humbug of recent years, it is interesting to note the unions' attempts to reconcile themselves to the grim consequences of their stance in much the same way that the multinationals have long squirmed to justify theirs.

In this process the unions' approach to disinvestment has changed: From a purely punitive measure, sanctions are presented now as an instrument for helping bring about a redistribution of wealth within the country.

That, essentially, is what the squabble over Mobil's disinvestment is all about.

The departing companies have made little attempt to conceal their actions. They have sold their interests at knockdown prices to South African concerns and arranged for the continuing supply of goods under licence. Less than half a dozen have closed up shop totally.

South Africans with money are able to cash in. The Johannesburg Stock Exchange has reflected the price buoyancy created by disinvestment, and the late Fred du Plessis of Sanlam long argued that sanctions were good.

Richer

Sanctions enabled the country to take up slack capacity and relaunch a programme of "inward industrialisation."

The rich, in other words, just go on getting richer.

And what of the poor of whom the unions almost exclusively consist? Much debate has raged over whether disinvestment causes job losses.

Surveys by the U.S. Government indicate that the attrition in employment has been comparatively low—perhaps no more than 8,000 jobs, although at least 35,000 employees who once worked for U.S. companies now serve South African ones.

Indeed, one contributor to the latest edition of that estimable trade union journal, *South African Labour Bulletin*, argued that it was not disinvestment that lost jobs but the rationalisation after they were taken over by South African interests—a bit like saying that it is not leaping out of an aircraft that kills, but hitting the ground.

The consequences for union power, however, have been immediate.

Jeopardy

Retrenchments and a tougher industrial relations regime in some South African companies have given the unions less, not more, room to manoeuvre.

The future of the massive social responsibility programmes which only the multinationals could afford to bankroll—R500-million in the last decade—is now also in jeopardy.

The number of Sullivan signatories has dropped from 183 to 70, and one of the immediate effects of the failure of South African undertakings to keep up the same level of support for black education has meant government hopes of equalising black and white education within 10 years have been dashed.

The unions call this form of disinvestment "corporate camouflage" and insist it was not what they meant by sanctions at all.

Their discomfiture is easily understandable. It was not the unions who initiated and controlled the disinvestment campaign—it was the extra-parliamentary politicians, celebrity clergy and foreign politicians.

Cosatu, caught by the anomalies of its position, is now making this point with increasing vehemence—even desperation.

Let us recall the April 1984 response to sanctions of the old Federation of South African Trade Unions (Fosatu), a nuts-'n-bolts group that served as the core of the soon-to-be-formed Congress of South African Trade Unions (Cosatu).

Circumspect

"Our own focus of attention must be the building of a strong worker movement in South Africa that can set the terms of foreign investment and ultimately ensure that the factories, machines and buildings presently in South Africa will be retained in South Africa to the ultimate benefit of all."

The Council of Unions of South Africa were equally circumspect.

When they met Senator Edward Kennedy they listed the obligatory portmanteau of sanctions steps but simultaneously asked him to seek the disinvestment only of those companies who did not adhere to just and equitable labour practices, did not endorse freedoms for all South Africans equal to those enjoyed by American investors and did not commit themselves to working towards a just and undivided South Africa.

The multinationals, of course, just about fell over each other to support every one of those entirely legitimate demands, but it did not help.

In time Archbishop Desmond Tutu's campaign would create a rolling and indiscriminate tide that last week claimed its latest and largest victim—Mobil.

The limits of the sanctions initiative were clearly spelt out in a confidential report on sanctions compiled for Cosatu in 1987. An extract: "Even if they are strictly applied and effectively monitored, these sanctions will not place much economic pressure on the SA business community or the apartheid regime."

Given the obvious ineffectiveness of the programme to which they had committed themselves in the heat of the moment, the unions had to redefine their positions.

The line, adopted by Cosatu's second congress, was thus: Current measures were insufficient and the unions could only support disinvestment if it was "mandatory and comprehensive."

But wait: Cosatu clearly had not read its own report which on page 20 notes: "Blanket sanctions and especially measures imposed by governments are therefore likely to be circumvented by South African exporters."

Untenable

"Pressure groups may well need to consider more selective measures which target the weak links in particular industries."

The conclusion is inescapable. The unions are desperately seeking a way to extricate themselves from an untenable philosophical position.

By insisting on mandatory and comprehensive sanctions they are demanding that the moon turn green, hoping desperately it will not.

The second shift in emphasis in the unions' approach is probably the more important—the whole question of retention of "social wealth." In August last year the Chemical Workers Industrial Union applied for a Conciliation Board in a dispute with 41 foreign-controlled companies.

Their central demand was that disinvesting companies should bind themselves to a set of preconditions including:

- A year's notice of disinvestment;
- Severance pay;
- Proceeds from the disinvestment sale must be put into a trust fund for union members and, the killer;
- The new owners must guarantee continued full employment and service conditions for workers.

Definitions

This is the basis of the union's current application before the Industrial Court against Mobil.

Retention of the "social wealth" created by the workers is, by Cosatu's definition, dependent on the continuing profitability of the undertakings no matter how one re-arranges shareholdings in the corporate cake.

That profitability in turn relies on access to foreign loans, export opportunities and real growth in Gross Domestic Product.

But wait again: Cosatu has obviously not read the 1988 report of the United States General Accounting Office on the effects of sanctions and in particular its observation that South Africa's credit rating, as a result of sanctions, dropped from 61,9 on a scale of 100 in 1981 to 32,3 last year—below the average of the surveyed 100 countries.

Exports to the 24 nations reporting consistently to the International Monetary Fund, meanwhile, decreased from 5,6-billion dollars (R14,39-billion) during the first half of 1982 to 5,2-billion (R13,36-billion) during the first half of 1987 (last figures available).

What price, then, retention of "social wealth" and continued profitability of undertakings? The unions, having helped scuttle the ship, are now fighting for the life rafts.

One can understand such economic illiteracy from the celebrity clergy and politicians—not from unions with a proud and honourable tradition of fighting for their members' interests.

*** Sugar Industry Expansion To Benefit Natal**
34000532a Durban *THE DAILY NEWS* in English
21 Apr 89 p 3

[Article by David Canning, Financial Editor]

[Text] The substantial expansion of sugar growing areas in Natal and particularly KwaZulu, announced by the Government in Durban yesterday, is expected to have a positive effect on the fragile local economy.

Large sugar millers say that thousands of jobs have been lost or threatened by sanctions which, a couple of years ago, closed markets to 150,000 tons of export sugar a year. In addition the industry has not expanded for the past decade, a period marked by drought, increasing debt, a languishing local market and a dip in export prices.

However, things are looking decidedly better at present. World prices are high, sanctions appear to be on a back-burner and the domestic market has been growing. In addition, the industry has made substantial progress in motivating the case for an ethanol plant which could absorb an additional 150,000 tons of sucrose a year.

Besides injecting hundreds of millions of rands into the local economy, expansion and deregulation announced yesterday should help more small black farmers to become established, turning parts of KwaZulu from subsistence to cash economies.

Ethanol Plant

As the map (right) [omitted] indicates, potential additional cane-growing areas include: Pongola (2,000 ha), Zululand 11,500 ha, North Coast 6,000 ha, Midlands 2,300 ha and south Coast 6,000 ha.

Sugar is undoubtedly the region's most important industry. In total it provides work for more than 152,000 people in cane growing, milling, refining, research and administration. There are 140,000 in the agricultural sector, which includes more than 25,000 farmers, and 12,000 in the 16 sugar mills.

It is one of the world's medium to large producers and its fourth most-efficient producer. It yields 20-million tons of cane a year which is converted into about 2.2-million tons of sugar.

There are currently some 23,000 small cane growers, of whom 95 percent are in KwaZulu. These growers produce almost 1.7-million tons of cane, 8 percent of total production, which generates income in the region of R70-million per year.

Though the industry has been through difficult years, in which it was forced to raise substantial loans, these now are being repaid back.

During recent years the industry was subjected to the scrutiny of the Rorich Committee which proposed far-reaching changes to transport cost responsibility for the grower. This meant that marginal cane growing land and/or land that was too far from the mills, became uneconomic.

The committee also proposed a two-pool production and pricing system comprising an A Pool of 1.8-million tons of sugar—approximately 1.3-million tons domestic market sugar and 500,000 tons of contracted exports—and a B Pool which consists of the remaining sugar production.

Being predominantly domestic sugar the A Pool price is more stable than the B Pool which is totally dependent upon the world price.

The production of ethanol from sugar and molasses has been the subject of protracted investigations. The Sugar Association has a positive view of the outcome and this too will generate the need for additional cane supplies and milling capacity.

Assuming that Government gives the go-ahead for the proposed ethanol plant, the industry anticipates expansion of sucrose production by 300,000 tons a year by the end of 1994—a 12 percent increase over current production.

This would be met partly by increased production from existing major producers and small growers in Natal/KwaZulu which includes an across the board increase of

25-tons sucrose for all existing quota growers and 23,000 tons for the development of an additional 2,000 ha of irrigated land in the Pongola district.

In addition 82,000 tons of the proposed increase would be developed by farmers in the Onderberg area and 32,000 tons sucrose by small growers in KaNgwane. It is estimated that an additional 36,000 tons B Pool sucrose would be delivered thereby providing a total mill throughput of 150,000 tons sucrose.

* Noristan Moves Into Biotechnology Field

34000532c Johannesburg *THE CITIZEN* in English
3 May 89 p 3

[Text] In a move seen as having strong long-term significance, the JSE [Johannesburg Stock Exchange]-listed Noristan group has acquired the name and operations of the Bionix research group, giving it direct involvement in the increasingly vital biotechnology field.

The acquisition, which is effective from 1 March 1989, is for an undisclosed amount based on net asset value and it will not materially influence Noristan's profits or asset value in the near future.

Nevertheless, it is seen as an important expansion as biotechnology is an area in which significant developments in therapy and diagnostic applications are generally expected.

The Bionix operations have been absorbed into the Noristan group, as the new Bionix division and Noristan's total research programme in the current year ending 30 June 1989 is expected to increase by less than a net R150,000.

The new division will continue Bionix's research which is focused on two important fields—the production of human monoclonal antibodies for diagnostic and therapeutic research applications and immunotherapy treatment of cancer.

The division has established a substantial technology base in the field of human cell systems and in-vitro sensitisation techniques, placing it at the forefront in this rapidly expanding sector.

* Electronics Fair Displays New Technology

* Components Sector Expands

34000546 Johannesburg *SUNDAY STAR* in English
14 May 89 p 7

[Text] The electronics components industry is one of the most vibrant in South Africa and its annual growth rate of 20 percent is expected to continue well into the next decade.

The expansion in the electricity-generating field, particularly in the townships, and in the use of componentry in military and industrial applications is largely responsible for its growth.

The industry is characterised by rapid technological advancement and an urgency to continue developing local manufacture of high-tech products.

South Africa's premier electronics showcase, Componex'89, at the National Exhibition Centre, Crown Mines, which runs from tomorrow through to Friday, contains a comprehensive display of cutting-edge technology.

The exhibition will be opened by Mr H R Haynes, chief executive of the Board of Trade & Industries.

Visitors can see how sophisticated local manufacturing is and the amount of high-tech, quality componentry available. The biennial exhibition, expected to attract about 11,000 visitors, is supported by 120 exhibitors.

According to the organisers, Specialised Exhibitions, it is broader in content than before, with state-of-the-art equipment, ranging from components, manufacturing equipment, circuit carriers and chemicals to test and measurement instruments, industrial monitoring equipment, computers for industrial applications, telecommunications and specialised packing for delicate electronics components.

A special feature for companies and individuals interested in local manufacturing of products currently being imported, or for those looking to up-grade or redesign products becoming obsolete, will be a stand where experts will answer questions relating to design, costs, methods, manufacturing capabilities and lead times.

Training and staff recruitment in the industry are ongoing areas of concern. The exhibition's patron, the Electronic Component Manufacturing Association, goes a long way to assist in improving industry skills by encouraging participation in training courses. It arranges courses and sponsors a number of students every year.

Because of the critical shortage of skilled people in the electronics field, a company which specialises in providing employment opportunities is on hand to assist.

*** Danntech's Display**

*34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 7*

[Text] Specialising in the design and manufacture of custom analog and microprocessor-based products is a small group of electrical engineers trading as Danntech in Randburg.

Computer-based test and measurement systems for industrial and research applications are also handled.

Established three years ago, the company's technical staff comprises two engineers, a technician and a small production team.

Products on show are a dual pH controller, a sample of products made for various companies, ranges of current converters and power supplies, the heart of a microprocessor-based concrete press controller, several PC industrial interface products, an example of embedded microprocessor systems, a prototype industrial three-term controller and various rack mount products.

There are also some aspects of test systems, including a motor and gearbox test system, a cooler test system and a multichannel data acquisition and display system. All products, test and measurement systems and software are locally designed and manufactured.

*** High-Tech Developments**

*34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 8*

[Text] Almost every aspect of industry and manufacture has experienced the incursion of the microprocessor and associated devices and there are excellent prospects for the South African electronics industry, says Mr Leon Hyman, the technical executive of Techmet.

High technology is continually coming up with new products for automation, control and complex functions.

Only state-of-the-art electronic technology can provide economic and viable solutions to many industrial demands and this will have a catalytic effect on the industry in this country.

Mr Hyman says South Africa can look forward to "spectacular growth" in the assembly sector, on industrial and domestic levels.

"South Africa is not well placed to manufacture all its basic component requirements. Because the market is small, it is non-viable to have a sophisticated capital-intensive component industry," he said.

"But the interest being shown by Far East entrepreneurs may change this situation.

"By skilfully blending Eastern expertise and production systems with disciplined, cost-effective management and strong offshore marketing, the prospects could be rosy," Mr Hyman said.

Techmet is a dedicated supplier of a range of solders and associated products and chemicals.

Its success is due largely to its philosophy of quality and fine service.

The company commissioned the vacuum-processing plant for tin-based alloys last year—the only one of its kind in southern Africa—and is able to offer sophisticated solders as an alternative to imported products.

*** Siemens Displays Range**

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 9

[Text] The theme of Siemens Components Division, "Components for Every Application," reflects the extensive range the company will exhibit.

Whether it is industrial, medical or automotive fields, Siemens can offer components that help companies optimise their designs.

On the active component side, it has general purpose, application-specific and semi-custom integrated circuits, microcomputer board systems, development systems, Eprom programmers and erasers.

Discreet semiconductors include transistors and diodes for many types of switching applications, through tuner types and up to microwave frequencies. Power semiconductors range from Simpos Fets for modern switched mode power supplies to thyristors and diodes in the kilovolt and kiloamp range for traction systems.

Semiconductor temperature, pressure and magnetic sensors and opto-electronic devices, including LEDs [light emitting diodes], infrared emitters, photo-detectors, opto-couplers, standard and intelligent display, complete the active component line-up at the exhibition.

Making up the wide range of capacitors are small inexpensive ceramics, metallised plastic, foil, tantalum small and large electrolytics and large AC [alternating current] and DC [direct current] types for high power applications.

The up-and-coming area of electronics involves surface-mount technology and Siemens offers smaller companies the production facility of its pick-and-place machine at its Waltloo factory.

*** Focus on Local Manufacture**

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 9

[Text] Stratford Engineering, which supplies electrical, mechanical and electronic equipment and components, is putting considerable time, money and effort into local manufacture.

"Local manufacture and our involvement in this crucial area, important in terms of cost reduction and industrial growth, will be our theme at the exhibition," says Mr Charles Gunderson, marketing manager.

The company, founded in 1924, is one of the oldest manufacturers and suppliers of electrical, electronic and mechanical equipment and is still owned and controlled by the Stratfords.

From distribution and general maintenance and support, the company started manufacturing base plates for Fluidrive Systems of Johannesburg in 1957.

After encouragement from the Government in 1968 to step up local manufacture, it redesigned the imported thruster of Dupar Brakes, a UK company with which it had a long association. Recently, it launched on the South African [SA] market a flameproof version after obtaining approval from the SA Bureau of Standards.

It made a mechanical conveyor centrifugal switch and a range of Santon switches.

In 1980 it entered the world of electronics and has since turned out a range of electronically controlled speed switches, which operate on an infrared scanning principle. Two years later, the company started manufacturing AC/DC variable speed drives.

More recently, a new series of airhorns have been used by SA Transport Services in place of others, available from Sweden and Canada.

The company also adapts European and other designs to suit South African conditions. It offers a comprehensive service to the engineering, electronic and electrical industries and undertakes the design and manufacture of custom-built products on a one-off basis.

On display is a new range of Syrelec electrical timers, counters, regulators and controllers; Santon rotary packet switches; Strateng float switches, Stratastroke speed monitors and sensors and industrial heating elements.

*** MCT Stand Draws Visitors**

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 10

[Text] A transputer supercomputer cluster designed and developed at the CSIR's [Council for Scientific and Industrial Research] division of Microelectronics and Communications Technology (MCT) is expected to attract a lot of visitors.

The Massively Concurrent (MC2) computer is a parallel processor that can handle 160 million instructions a second and 25 million floating point operations a second.

An important feature of the machine is its modular scalability, which from eight to 16 different clusters can be linked and coupled to a PC, minicomputer or mainframe.

Applications include computer simulations, for which a powerful graphics workstation is being developed; structural modelling; image processing; neural net working; artificial intelligence; flow modelling; and digital signal processing.

South Africa needs a means of enhancing the performance of existing computers as well as the ability to provide new ones. The CSIR sees the MC2 fulfilling these functions, saving foreign exchange and solving the problem sanctions.

MCT is the country's foremost developer of custom super-components and small specialist systems for microwave, opto-electronic and signal processing applications. It is the only group in South Africa that can offer the advantages of vertical integration from systems, through components, to materials.

The division has a group of scientists, engineers and technologists who understand differences between research, development and production and who see their role as meeting clients' technology needs and ensuring South Africa maintains an adequate level of technology.

Among the new systems recently introduced at MCT is a locally developed first-generation SARIE package handler and tester, enabling the division to market integrated circuits (IC). The device ejects one IC every two seconds, during which time it has undergone 23 tests. The second-generation system will operate at faster speeds.

Another is a reactor, the only one of its kind capable of growing silicon epitaxial layers of various thicknesses for use in high-frequency, high-power devices. This was imported at a cost of R1.6 million.

Demonstrations on the stand include the assembly of microwave power tubes and photographic scans direct from the Meteosat satellite via MCT's main computer.

One of the division's main strengths is in the field of microwave power tubes. The technology was locally established for the fabrication of the S-band air-traffic control radar tubes used in civil aviation.

In radio frequency technology, it has a novel positioning system which allows for a variety of users to position themselves or navigate with an accuracy of one metre.

In real-time speech coding and storage field it has a unit which stores high-quality digitised speech in a limited amount of memory, while retaining speaker recognition.

* SAMES Notes Transition

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 11

[Text] SA Micro-Electronic Systems (SAMES), the country's only commercial integrated circuit (IC) manufacturer, believes the local electronics industry has reached a period of transition.

Local manufacture is an important element of this change, as are many technological developments occurring almost daily.

SAMES's involvement in this year's electronics and componentry exhibition underlines these factors.

"Apart from the importance of our company being seen at an exhibition of this size, we will be using the show to reinforce the fact that we offer, what we call, a Total Solution in Silicon," says Stephane Bothma, public relations officer.

SAMES designs, manufactures and tests ICs in most technologies, assembles chips in dual or line packages (ceramic and plastic) and tests and screens electronic devices.

Other products include Asics (application specific ICs), based on gate arrays, standard cell and full custom-designed for all industrial sectors and transistors for use in entertainment and professional applications.

The firm was formed 10 years ago by the Industrial Development Corporation and Siemens, with the backing of SA Post & Telecommunications (SAPT) and has become a major component and manufacturer of microchips.

The shareholding is held by Altech (37 percent), Siemens (25 percent), Reunert (15 percent), Plessey (12 percent), TMSA (10 percent), and Grinaker (1 percent).

It offers clients a turnkey-type operation—from initial IC board design through to manufacture, assembly, testing and screening of the components.

There is a display of products in various applications and sophisticated design tools, which convert an idea to silicon as used by its design division.

Projected turnover this year is R40 million, which incorporates an order book worth R30 million extending to 1990. This is despite the fact that SAPT is cutting back R155 million in its telecommunications digitisation programme.

SAPT installs more than 450,000 telephones a year with each unit having an average of three chips and two transistors, manufactured by SAMES.

*** Overseas Opportunities for Tek**

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 12

[Text] Tek Industrials has grown into one of the largest printed circuit board (PCB) producers in the southern hemisphere and enjoys world recognition for its products, which have been approved by the Underwriter Laboratories in the United States.

"This prestige approval opens up more possibilities to increase our exports to Europe, which currently represent 30 percent of capacity," says managing director Mr Gerhard Vogl. "In 1986, the export figure was only 10 percent."

PCBs are fundamental building blocks of the modern electronic circuitry and are used in a wide range of products—including TVs, radios and computers.

To take advantage of the export situation, the company has a capital expenditure budget of R6.5 million for the current financial year and has plans for another R6.5 million next year.

The company's R40 million turnover comes from commercial, professional and multi-layer PCBs.

An indication of its technical prowess is the fact that it manufactures multilayer PCBs of up to 16 layers and produces one square metre of PCB with up to 90,000 interconnected holes.

Tek Industrials is at the leading edge of its technological field. Recent additions to capital equipment include an Orbot automatic optical inspection system.

*** ECMA To Play Greater Role**

34000546 Johannesburg SUNDAY STAR in English
14 May 89 p 13

[Text] Because of local manufacturing incentives and the Government's demand for a higher local content in components, the Electronic Components Manufacturing Association (ECMA) will play a greater role in the future, says the association's chairman, Mr Bert Kuipers.

The local components market is growing considerably, in real terms, he says, giving rise to allied industries.

The best example is the automotive components industry, which is burgeoning because of new legislation to have a higher local value content. In the past, it was based on weight.

Many items in the modern car are electronically orientated and a higher percentage will therefore be manufactured or assembled locally.

The ECMA started in 1970 and has grown from the four founder members, Siemens, Plessey, STC and AEI Henly, to 20.

Its objectives are to promote, encourage, support, or even sometimes oppose, legislation or other measures affecting the industry. It promotes local manufacture of electronic components by mass production methods, where practicable, with a view to export.

Angola

Minister Urges Namibians To Prepare for Elections

MB1306075689 Maputo Domestic Service in Portuguese
0400 GMT 13 Jun 89

[Text] Afonso van Dunem Mbinda, MPLA-Labor Party Central Committee secretary for external relations, said in Luanda yesterday that the Namibians must prepare themselves for the November elections so that Namibia may decide its own destiny. The Angolan official said this at a send-off ceremony for the 450 Namibians who left Luanda for Namibia yesterday. Mbinda added that the world was today experiencing significant changes and there existed the possibility of eliminating conflicts through dialogue.

In turn, SWAPO Secretary General Toivo ja Toivo thanked the Angolan Government for the hospitality and support accorded to SWAPO during these years of struggle.

Another 500 Namibian refugees also left Lubango, Angola, yesterday for Namibia.

MPLA Commission Delegation Visits USSR

MB0906200389 Luanda Domestic Service in Portuguese
1900 GMT 9 Jun 89

[Text] A delegation of the central control and auditing commission, headed by coordinator Comrade Manuel Alexandre Rodrigues Kito, has been in the USSR since 5 June on a visit within the framework of strengthening existing relations between the MPLA [Popular Movement for the Liberation of Angola]-Labor Party and the CPSU. The Angolan delegation, which includes Comrade Antonio Jacinto, candidate member of the Political Bureau and assistant coordinator of the central control and auditing commission, is scheduled to return home on 15 June.

Van Dunem Meets Zambia's Kaunda; Brings Message

MB0906132889 Luanda Domestic Service in Portuguese
1200 GMT 9 Jun 89

[Text] Angolan head of state Comrade Jose Eduardo dos Santos sent a message to his Zambian counterpart, Kenneth Kaunda. The message, the contents of which are unknown, was delivered to President Kenneth Kaunda today by Comrade Afonso van Dunem Mbinda, MPLA [Popular Movement for the Liberation of Angola]-Labor Party Central Committee secretary for foreign affairs. A source at the Angolan Embassy in Lusaka points out that President Kenneth Kaunda and Afonso van Dunem Mbinda examined strengthening party and government relations.

Kenneth Kaunda is currently Frontline chairman and was in Luanda on (?11) May attending the summit of eight heads of state from central and southern Africa, who expressed their support for the Angolan Government's internal peace plan.

Dos Santos Receives Message From Mobutu

MB1306200289 Luanda Domestic Service in Portuguese
1900 GMT 13 Jun 89

[Text] Southern and central African heads of state have been exchanging an unusual amount of messages within the framework of exchanges of viewpoints and suggestions concerning Angola's peace process.

In Luanda today, Zairian Special Envoy Nimy Mayidika Ngimbi delivered a message from Zairian President Mobutu Sese Seko to the Angolan head of state. This happened 4 days after Angolan Deputy Foreign Minister Venancio de Moura had gone to Kinshasa to deliver a message from Angolan President Jose Eduardo dos Santos.

Over the last few days, the Angolan head of state has sent messages to his Congolese, Sao Tomean and Zambian counterparts. Those messages focus on new suggestions on the Angolan peace process in the wake of the recent Luanda Summit, which was attended by eight southern and central African heads of state. They expressed support for the Angolan Government's efforts for peace and stability in the country.

Botswana

Minister Notes RSA Inflation, 'Negative Impact'

MB0706200889 Gaborone Domestic Service in English
1910 GMT 7 Jun 89

[Text] The minister of commerce and industry, Mr Kwako Nwako, has appealed to wholesalers, retailers, and suppliers of imported goods to pass the full benefits of the recent revaluation of the pula to Botswana.

Mr Nwako said the revaluation would only have the desired results of slowing down the increase in domestic prices if all local suppliers of goods and services passed the benefits on to the consumer.

The minister explained that the rate of inflation in South Africa had been rising rapidly during the year 1988 and had accelerated since January this year. As a result, he said, the inflation rate had a negative impact on the lives and welfare of Botswana, as most of the country's imports came from South Africa.

Mr Nwako said Botswana could not avoid the effects of imported inflation on domestic prices, but said the revaluation of the pula could, to some extent, mitigate the factor. He said revaluations could only be justified if

the majority of Batswana benefited from the slower rate of growth of domestic price inflation, which the revaluation was intended to achieve.

To be effective, the minister said, this would require the cooperation of everyone who sold imported goods, clothing, vehicles, building material, and other commodities. He said officers in the ministry have been instructed to monitor price changes carefully, particularly in the weeks and months ahead.

'Notice' Advises Namibian Refugees To Register
MB0806175189 Gaborone BOTSWANA DAILY NEWS
in English 25 May 89 p 4

["Notice to All Namibians Currently Living in Botswana"]

[Text] Subject: Registration for repatriation

All Namibian refugees are advised that registration for repatriation has started. All Namibians who therefore wish to be assisted by the United Nations High Commissioner for Refugees in their repatriation should immediately approach the offices of the Botswana Council for Refugees in Gaborone with immediate effect. Those in Dukwi settlement who have not yet registered should see the settlement command for advice.

Official Alert on Zimbabwean Cattle, Dairy Goods
MB0906194289 Gaborone Domestic Service in English
1910 GMT 9 Jun 89

[Text] People living along the northern borderline have been advised to stop importing cattle and dairy products from Zimbabwe, following an outbreak of foot-and-mouth disease in some parts of Zimbabwe.

The Francistown senior veterinary officer, Mr David Brown, said people should avoid picking items on the grass in Zimbabwe and crossing with them into Botswana because they might be contaminated with the disease.

He advised Batswana to keep Botswana free from foot-and-mouth disease by avoiding purchases of Zimbabwean dairy products. That way, he said, the country's beef industry could be protected.

He said businessmen should cooperate with veterinary officers by not importing dairy products and selling them to people. Mr Brown said veterinary teams had been sent to Panda Matenga, Kazangula, and Temekgobana border posts to restrict people from entering Botswana with dairy products and cattle. Another team has been sent to vaccinate cattle along the border posts in order to protect them against the disease.

Mr Brown encouraged people living along the border to look after their cattle and to stop them from crossing into Zimbabwe.

Lesotho

RSA Envoy Praises Joint Relations
MB0106121889 Maseru Domestic Service in English
1130 GMT 1 Jun 89

[Text] The opening of the South African Trade Mission in Lesotho has contributed to better relations between Lesotho and South Africa. This was said last night by the South African trade representative to Lesotho, Mr G.J.J. Geldenhuys, at celebrations to mark the 18th anniversary of South African Republic Day.

Mr Geldenhuys said his country would continue to render services to Lesotho, and he cited other humanitarian gestures of the past, such as aid to the heavy snow fall victims of the highlands of Lesotho, as well as the development of the Lesotho Highlands Water Project. The minister of foreign affairs, His Excellency Colonel Thaabe Letsie, told the guests that geography had bound Lesotho and South Africa together so that cooperation between the two was a natural consequence. He said despite economic differences between the two countries, interaction has been marked by interdependence in trade, labor, as well as transport and communication. Col Thaabe encouraged reform towards a multiracial society in South Africa, as well as the recent agreement on the independence of Namibia.

Madagascar

Ruling Party Wins 87 Percent of Parliament Seats
EA0506153589 Antananarivo Domestic Service
in Malagasy 1600 GMT 4 Jun 89

[Excerpt] Before going on to major international events, we start the news bulletin with the election results. Over to Gilbert Raharizato:

[Raharizato] Here are the latest legislative election results; we also do not think there will be any major changes to them. The Arema [Vanguard of the Malagasy Revolution] won 87.3 percent of the parliamentary seats, which is roughly equivalent to 120 seats. It means that Arema has won five more seats than in 1983. The MFM/MFT [Militants for the Establishment of a Proletarian Regime/Militants for the Realization of the Revolution] won 5.2 percent, which is about seven seats. The Vonjy/VITM [People's Movement for National Unity] won 2.9 percent, that is, four MP's. The AKFM/KDRSM [Congress Party for Malagasy Independence/Democratic Committee To Support the Malagasy Socialist Revolution] won 1.4 percent, or two seats. The AKFM-Fanavaozana won 2.1 percent, that is, three seats. Finally, the Monima Ka Miviombio won 0.7 percent—one seat.

The elections were held 1 week (?ago). It has taken exactly 1 week to receive the preliminary results which, we remind you, are not yet official. This is not surprising as the transmission of vote totals from various polling

stations to the round hall of the Interior Ministry still relies on telephone calls, telegrams, and single sideband communications. Moreover, some locations are remote and communications with them are poor.

The first thing that surprised many people during the present legislative elections was the greatly increased abstention rate, which was over 30 percent. Nonetheless, such a situation can be explained by various practical considerations. The first factor was the holding of elections in quick succession. The time gap between the two elections was only 1 and 1/2 months. People's enthusiasm naturally wanes, and this phenomenon has been observed in many countries where elections have been held in quick succession. It happened, for example, in France where voter participation in the legislative elections was much lower than in the presidential election. [passage omitted]

*** Large Revival in Tourism Under Way**
34190182a Paris *JEUNE AFRIQUE ECONOMIE*
in French Jan-Feb 89 p 42

[Article by Pierre Tuffeau: "Let's Bet That Boldness Will Pay Off!"]

[Text] Madagascar, former pro-Soviet troublemaker in the Indian Ocean, is rediscovering the benefits of the market economy. It has even, according to general director Michel Camdessus, who just returned from a visit there, become a model child of the IMF. And of its ultimate expression: international tourism. "The island continent" had everything it needed to entice seekers of the exotic. It had the essential elements: sites, lakes, mountains and seas, flora, fauna and culture, but it lacked the infrastructure without which tourism is impossible: hotel accommodations worthy of the name.

With 19 establishments offering 763 rooms and only 3 airlines serving the island (Air Madagascar, Air France, and Aeroflot), Madagascar could not expect miracles. Scarcely over 28,000 tourists, essentially businessmen, were recorded at the borders.

With the active aid of France, Madagascar intends to plunge into the market of international tourism. A French expert has been sent to the Ministry of Tourism to help draft a master plan to develop tourism, financed by the Aid and Cooperation Fund (FAC). Above all, after 8 long months of negotiations, Pullman International has just signed the most important contract concluded since independence between the government and a private firm: 1.5 billion French francs (335 billion Malagasy francs) for construction, over a 3-year period, of 1,690 rooms on 9 sites. During a second phase (1993-1995), an additional 600 rooms will be built in order to catch up with other countries in the region in that field.

Pullman International (subsidiary of Wagons-Lits) will build 6 hotels (totaling 500 rooms): 1 Pullman hotel in Antananarivo, 4 Altea hotels and 1 moderate-price Azur hotel in the provinces. The Savana firm, associated with Pullman International in Senegal, will build 3 resort hotel complexes in Nosy-Be, Sainte-Marie and Sainte Luce. Each complex will have 4 hotels and a golf course.

In this way, Madagascar intends to become a prime destination of international tourism in the subregion, a bold wager vying with such giants of tourism as Kenya, the Seychelles, Mauritius and Reunion, to say nothing of South Africa.

Malawi

*** Finance Minister Presents Budget Proposals**

*** Duty, Excise Tax Reductions**
34000301 Blantyre *MALAWI NEWS* in English
25-31 Apr 89 p 1

[Text] Consumers can expect some price reductions soon on selected essential items which have had their excise tax either completely removed or cut down to half.

Included in the government's move to push the war against inflation to deeper levels are such items as sugar, textile, soaps, beers and liquors.

Excise tax reductions and removals on these articles became effective at midnight of Thursday, the Finance Minister, Hon Louis Chimango, told the House Thursday afternoon when presenting what he termed as an "optimistic budget" for the year 1989/90.

The Minister said that import duties on coffins, coffin fittings and invalid carriages, bicycles and toilet papers will be either reduced or removed by April 1.

Probably of interest to people who usually commute between this country and its neighbors bringing along with them second hand vehicles is the removal of the additional duty of K2,000, which will also become effective on April 1. The normal duty of 45 percent, however, still remains in force.

The Minister informed the House that in view of the new surtax credit system enacted last year, the whole surtax tariff has also been revised to conform with the new system and that this will be implemented from May 1.

Amid cheers from the House which had remained silent for the larger part of the marathon two hour and 17 minute presentation, the finance chief stressed that it was important for the private sector to pass on to consumers the benefits of these new measures.

"We must see a genuine reduction in prices for the essential items which will attract reduced or zero taxes... to stimulate demand and therefore to lead to expansion in production," he stated.

The private sector must stop hedging and speculative tendencies and allow prices to return to normality, he emphasized.

Hon Chimango said the measures are aimed at redressing the effects of the tax system which had become regressive in that the poor and disabled were paying disproportionately higher taxes in relation to their income as well as to stimulate exports.

Actual reductions of excise tax are as follows:

- Sugar from K12 per tonne to K6 per tonne;
- Textile fabrics (fents) from K95.45 per tonne to K45 per tonne and other textiles from K2.30 per 100 square meters to K1 per 100 square meters;
- Bar soap from K12 per tonne to zero, toilet soap from K10 per tonne to K5 per tonne and other soap from K12 per tonne to K5 per tonne;
- Beer from 50 percent to 40 percent;
- Liquors from 60 percent to 40 percent;
- Import duties on bicycles and toilet papers reduced to 20 percent from 35 percent and 45 percent respectively; and
- Coffins, coffin fittings and invalid carriages duty free.

* Fight Against Inflation

34000301 Blantyre MALAWI NEWS in English
25-31 Apr 89 p 1

[Text] The government is determined to fight the devil masquerading in the name of inflation, the Finance Minister declared at a press conference in Zomba Thursday afternoon.

Hon Chimango said that studies by his ministry had shown that the economic indexes and equations were more than met during the year.

Abnormal prices on the market were a result of hedging and creation of shortages by the private sector rather than a genuine reflection of the effects of inflation, the Minister said.

He said the press, and people in general, could help the government stamp out hedging and false shortages by effectively using the vital tool of communications.

By charging abnormal prices the private sector is indulging in daylight robbery contrary to the government's wish that this sector should play a major role in the country's economic life.

Through measures announced in the House, his ministry was creating an environment in which there would be no excuse for ridiculous pricing, the finance chief explained.

Earlier in Parliament the Minister did not mince words in blaming the continuing high rate of inflation on "some unscrupulous dealers" who buy commodities at cheap prices introduced in the 'fight against inflation' and resell to consumers at exorbitant prices.

"We should in this House condemn the unscrupulous business practices that contribute to unnecessary price hikes," the Minister urged his parliamentary colleagues.

* Growth Expected

34000301 MALAWI NEWS in English
25-31 Apr 89 p 1

[Text] The good old days when the country enjoyed a buoyant economy are back and here to stay, Hon Louis Chimango told the House on Thursday afternoon.

Prospects for the future on the economic front look bright and the improved picture of end 1988 could remain in focus as long as the nation is prepared to take measures to steer the economy on the right track, he said.

Some of these measures have been in force since 1987 such as the tax reform and import liberalization programmes which are bringing successes to the country's economy today.

The Minister said that Growth of Domestic Product is projected to grow by 4.6 percent this year and most of it is expected to stem from the agricultural sector.

He disclosed that the government is currently discussing with the World Bank for an Agricultural Sector Credit (ASAC) estimated at about 160 million dollars.

This is a balance of payment programme which when effected "will address most of the critical problems in the smallholder agricultural sector and lead to increased productivity."

The manufacturing sector is also expected to grow by 5 percent while all other sectors are expected to perform even better this year than they did last year, he said.

Hon Chimango emphasized that this optimistic picture is dependent on the success of the import liberalization programme and ability to get inflation down to manageable levels, without which the country will lose its competitiveness on the export markets.

* Parastatals' Performance Noted

34000301 MALAWI NEWS in English
25-31 Apr 89 p 1

[Text] Four out of the 10 major commercially oriented parastatals made losses last year, it was revealed in Parliament on Thursday.

Finance Minister Hon Louis Chimango said in his Budget Statement that the loss makers were Blantyre and Lilongwe Water Boards, Malawi Railways and the Woods Industries Corporation (Wico).

"A notable absentee from this list of loss makers is Air Malawi, once the sickliest of our corporations," he said.

However, the Finance Minister said that the financial performance of the parastatal sector as a whole improved significantly from the situation that prevailed in 1987.

"The total net surplus after interest and depreciation, increased from K5.5 at the end of 1987 to K18.2 million at the end of 1988," the Minister said, singling out Admarc's performance as the most impressive.

He said Admarc—one of the largest parastatals—made a profit of K0.6 million in the 1987/88 financial year, and added that latest forecasts indicate that the corporation will make a profit of K9.3 million at the end of the 1988/89 year.

Mauritius

*** Accomplices in Attempt on Jugnauth Arrested**
34190240b Port Louis LE MAURICIEN in French
10 May 89 p 4

[Text] Four individuals have been accused of complicity with Mahmad Iqbal Ghani, perpetrator of the second unsuccessful assassination attempt against the prime minister, Sir Anerood Jugnauth, in Grand Bassin last 3 March.

The lawyers for the four accused, counselors Ahmad Jeewah and Raouf Gulbul, have submitted a formal motion requesting the release of their clients on bail. His Honor Judge Rishi Pursem, who sits on a Port Louis court of third instance [higher court], yesterday heard the arguments of the defendants' lawyers and the objection raised by Nuvin Bhojru—Senior Crown Counsel—who represents the public ministry.

While Jeewah and Gulbul maintain that their clients must be allowed release on bail, Bhojru insists that the crime of which they are accused is a very serious one and that the possibility still exists that, once freed, the four will repeat their crime.

Judge Pursem will rule on the motion Friday [12 May].

* BOSS Infiltration of JALC Affirmed

Port Louis L'EXPRESS in French 13 May 89 pp 1, 7

[Text] That JALC Holdings of Athos Poulos was infiltrated is no longer in any doubt. In his testimony before the Harms Commission Thursday [11 May], Admiral A.P. Putter confirmed that South Africa's military services placed one of their men within the JALC company to carry out espionage.

To the question of why JALC Holding Ltd., the South African army chief of staff's answer was clear. "The operations of JALC, which were spread over many countries in Southern Africa as well as Mauritius, would offer ideal cover for this type of operation," Admiral Putter explained to the Harms Commission.

He did, however, maintain that the BOSS [Bureau of State Security] operation within the JALC Holding Intelligence Gathering Project was the first of its kind and had been set up by a certain Tony Botha and one of JALC's directors, Chris Van Rensburg, in October 1986.

Brigadier Marthinus Deyzel was chosen as the officer because of his experience as a military attache in Spain and his experience and contacts in the business world.

"The purpose of the JALC Intelligence Gathering Project was to gather information and make high level contacts," Admiral Putter also explained. But Brigadier Deyzel was disgraced in the eyes of his superiors after a visit to Mauritius in February 1987 paid for by JALC Holding of Athos Poulos.

In Admiral Putter's view, by accepting this vacation in the Mauritian sun and the fishing parties aboard the Nitor, Brigadier Deyzel violated the strict conditions imposed when he was assigned to the secret mission.

Admiral Putter insisted before the commission that Brigadier Deyzel had received instructions to the effect that "neither he nor the State was put in a position of obligation to JALC; that he was not to travel at JALC's cost and that he was to make his reporting available only to the South African Defence Force (SADF) and not to JALC or any other organization for reward or commission."

For this reason, Brigadier Deyzel's and his wife's vacation to Mauritius at the end of February and the villa offered by JALC were "in direct conflict with written orders given to Brigadier Deyzel on 9th February, after an initial conflict at the end of January over an unauthorized trip to London."

*** Rabita Finances Islamic Cultural Center**

34190239c Port Louis LE MAURICIEN in French
11 May 89 p 4

[Article by Raj Gowrea: "15 Million Rupees From Arab League to Islamic Cultural Center"]

[Text] The signing of an accord between the government and Rabita providing some 15 million rupees in financial aid for creation of the "Islamic Cultural Center" and laying of the center's cornerstone next Saturday are two notable events scheduled to take place during the 48-hour visit to Mauritius of Dr Abdullah Nasseef, the Saudi Arabian secretary general of Rabita.

The Arab League, through Rabita, is known for its assistance in training Mauritian cadres to promote the expansion of Islamic culture, its grants of university scholarships, and its creation of reception centers for Mauritian pilgrims going to Mecca.

Now, as it is providing direct assistance for construction of the Mauritian Islamic center, Rabita has sent its secretary general, Dr Nasseef, a noted Arab world scholar, to represent it at the signing of the protocol agreement Saturday at Government House. In the afternoon Dr Nasseef will go to the site where the center is to be built, at the corner of La Paix and Diore streets in the suburbs east of Port Louis, to lay the cornerstone.

His delegation also includes Dr Fareed Yassin Khuraishi, Dr Soohail Al Ghamedi, and Mr Abdel Azize Hannafi. The delegation is expected to arrive in Mauritius tomorrow afternoon. The program of activities for the delegation also includes courtesy calls on government leaders.

It should be noted that architectural work on the edifice that will house the Islamic Cultural Center has already been completed. The authorities are ready to move ahead full speed on the project as soon as negotiations with other Islamic organizations are concluded.

*** AIDS Cases 'Low'; Emphasis on Education**

34190233b Port Louis LE MAURICIEN in French
21 Apr 89 p 9

[Article by D. Dhoocharika: "AIDS Prevalence Rate Still Low in Mauritius"]

[Text] "Mauritius is in a privileged position, for the prevalence rate of AIDS is still low. But that doesn't mean we should lean back and relax. We must continue to educate the population on the risks of sexually transmitted diseases, including AIDS." That was the statement made Wednesday [19 April] by the minister of health, Mr Jugdish Goburdhun, at the opening of a seminar on AIDS in the MIE [expansion unknown] conference room.

At the outset, Mr Jugdish Goburdhun declared that the risk of being infected with the AIDS virus still exists in Mauritius, as we are a tourist country. According to him, programs to monitor and prevent AIDS by stressing a country-wide informational and educational campaign will have to be established.

"The best weapon against AIDS is health education. We are going to pursue our national educational campaign with the help of WHO experts and a medical team to monitor AIDS," he said.

The health minister believes the people's participation and better dissemination of information across the country would help control sexually transmitted diseases.

Medical personnel and members of the public are taking part in this seminar presided by Dr Chan Kam, dermatologist and project manager of the anti-AIDS program.

Mozambique

Delegates Seek Results of Machel Crash Inquiry

MB1006112589 Maputo in English to Southern Africa
1100 GMT 10 Jun 89

[Text] At Maputo's party conference, one delegate called on the Mozambican authorities to learn from the Zimbabwean struggle against corruption. The delegate, Gabriel Simbine, was referring to the open investigation by the Sandura commission in Zimbabwe into the Willowgate scandal, involving the purchase and resale of cars by government officials.

Mr Simbine called for the [word indistinct] publication of reports from the two commissions of inquiry set up to investigate the possible theft and misuse of emergency goods donated to Mozambique by the international community.

Another delegate raised the question of the commission of inquiry into the plane crash in 1986 in which Mozambique's first president, Samora Moises Machel, died. The delegates said people still ask about Samora Machel and what the commission of inquiry [words indistinct] the crash of President Samora Machel's plane, caused a wrong turn, apparently following signals from a [word indistinct] navigational sequence broadcasting on the same frequency as the Mozambique's president's aircraft.

President Joaquim Chissano and other leaders have described President Samora Machel's death as murder. The Mozambican commission of inquiry led by the transport minister, Armando Guebuza, asked the South Africans to cooperate in further investigations in order to establish the precise whereabouts of the beacon the plane had been following. The South Africans turned down this request and the Mozambican commission has not published any findings.

Frelimo Official Cited on 'Armed Bandits'

*MB1006175689 Maputo Domestic Service in Portuguese
0900 GMT 10 Jun 89*

[Text] Radio Mozambique's Cabo Delgado Province correspondent reports more than 1,000 displaced party members and 22 inoperative party cells in the province. Renewed armed bandit activity is the root of the problem.

The Frelimo [Mozambique Liberation Front] Party's work in Cabo Delgado Province has significantly strengthened over the last 6 years, with a 53 percent increase in party cells and a 54 percent increase in party members, as reported in a provincial committee report submitted to the third Frelimo Party provincial conference in Pemba recently.

Marcelino dos Santos, Frelimo Party Political Bureau member and People's Assembly chairman, opened the conference by stressing the armed bandits are apartheid agents and saying the apartheid system is making every effort to turn Mozambique into a bantustan and a source of cheap manpower to enrich white power.

*** Poor Communications Blamed for Nampula Crisis**

*34420097c Maputo NOTICIAS in Portuguese
29 Apr 89 p 8*

[Article by Felisberto Matusse and Carlos Bernardo]

[Text] The governor of Nampula Province, Jacob Jeremias Nyambir, recently stated that the means of communication existing in the province do not permit timely knowledge of the situation occurring in each district, a detail worsened by the fact that the people themselves are not in the habit of providing communications, and by the lack of means of effective communications, such as radio and telephones, throughout almost the entire zone. Jacob Nyambir noted in addition that the situation is worsened by the precarious state of the access roads, as well as the lack of transport that periodically affects the entire province.

As a result of this situation, any serious occurrence whose solution requires the intervention of the provincial authorities can only be addressed after much time has passed, and in some cases after a good number of victims have resulted.

As an example the governor of Nampula noted that the situation in the Memba district, in the northern part of the province, was brought to the attention of the government only after famine had caused thousands of deaths.

He also cited the recent destruction by the armed bandits of more than 1,500 tons of produce in an Iapala distraict warehouse, the existence of which was not known to the provincial authorities.

Similarly, the provincial government was only very recently informed of the existence of identical quantities of produce, agricultural surpluses from last year, in Ribawe district.

Jacob Nyambir demonstrated the faulty means of communications in the province by also citing the recent shipwreck of a vessel that carried clothes to Moma district, that was only brought to the attention of the governmental authorities after 2 weeks.

Even the collapse of the bridge over the Lurio River only came to be known by the province more than 20 days after the fact, leading the government to fear that during that period many things could have occurred, placing in panic close to 45,000 people who live in the region.

Emergency Called

According to the governor of Nampula Province, the obstruction of the means of communication has significantly affected the ability of the governmental authorities to rapidly intervene when a determined region becomes worrisome, from one minute to the next.

As far as we were able to determine, the situation is primarily due to the activities of the armed bandits, who in addition to not permitting the aid brigades to circulate regularly and freely, have also damaged the entire communications network now existing in virtually every district.

According to Governor Jacob Nyambir, there is not in any district of Nampula province anything remotely related to communications—radio, telephone, post office, or other means—that would permit the rapid transfer of information for immediate decisionmaking.

Added to this situation is the fact that the province does not have the means of transporting materials inherited from colonial times, to rehabilitate the access roads.

In Nampula we were told that there are districts whose governments do not have even a single tractor to transport materials and workers to repair roads.

"We have workers and work brigades, but we do not have a single tractor to transport the workers. At times, they do not even have a shovel, wheel barrel, or other type of material for the correct undertaking of their activity," he observed.

However, the provincial government is hopeful that this year the road transport situation will improve with the implementation of a project financed by USAID [United States Agency for International Development] for the purchase and sale of vehicles to the private sector.

*** Five Districts in Zambezia Face Famine**
34420097a Maputo NOTICIAS in Portuguese
8 May 89 p 1

[Article by Jorge Morais]

[Text] Some 30,000 war refugees in the Mocuba district will have to depend upon Emergency Program food assistance, according to local authorities involved in the program providing supplies to populations in difficult situations in that area of the country.

This is due to the devastation of almost 50 percent of the crops that the refugees had planted during the current agricultural season, by the waters of the Licungo River which this year have experienced their highest rise in history.

As a consequence, thousands of war refugees have lost their household gardens, meaning that in the coming months the famine situation will become worse. In Mocuba district there were, by last April, more than 58,000 people among those affected by the war and war refugees, most of them still dependent upon assistance from the Department of Natural Calamities in Zambezia Province.

The crops most affected by the floods were corn and nhemba bean, worsening the already serious germination problems of the latter.

Other reports from that district indicated that malnutrition caused by insufficient food consumption among the population, most of them war victims, has already killed 32 people (as of the first half of last April), and that the Mugeba region, some 45 km from the district headquarters, was the most seriously affected.

In Mugeba there are some 20,000 people, 17,000 of them from the IPE [Institution of Petroleum Exploration] in Alta Zambezia. However, aid to those people is considered faulty, primarily due to the logistical incapacity of the Provincial Department of the Prevention and Struggle Against Natural Calamities, a function of the current number of refugees, and other factors.

Lugela Bridge Destroyed by Licungo

Among the difficulties currently being discussed in Mocuba city, specifically in the programs of assistance to people affected by hunger and displaced by the war, can be now added the problem of the Lugela River bridge. In fact the bridge, which permitted cargo, passengers and others to cross that important water course, divides the districts of Mocuba and Lugela. As a result of the latest torrential rains that have fallen in the region and in numerous points of Zambezia Province, it was seriously affected by the currents resulting from the rise in the level of the Licungo River and its tributaries.

Since March of 1989, the concerns of the authorities and people in those zones has become even greater, now more than ever if one considers that the bridge over the Lugela River is strategically vital for the following reasons:

On the other side of the river there are at this time some 39,000 war refugees, among them children, women, men and old people, needing food and clothing. They are people with severe problems, multiple illnesses, hunger, and insufficient clothing. Then there is the economic problem, specifically that of the cotton enterprise in the locality of Namagoa, which may possibly have suffered serious damage to its fields and now maybe its products, due to the lack of drainage.

These are only some of the areas we are reporting as examples, but we are aware of the existence of several other pertinent reasons that justify the importance of that bridge. From what we know, the Construction and Waters Department of the district, through the respective provincial leadership, is in control of the situation. An assessment of the damage has already been performed, including a budget to pay for rehabilitation.

Namacurra: The Situation Gets Worse

In the Namacurra district, some 70 km from the provincial capital of Zambezia, the condition of the liberated population and of those recently arrived from the grip of the armed bandits is steadily worsening, as most of them present themselves to our authorities in a critical state of health.

News from that district recount that every day that passes, the flow of people from that state and that situation is increasing, a fact that starkly contrasts with the local authorities' capacity for providing aid in terms of food, clothing and health assistance.

Is Gurue the Exception?

While in most of the regions of our country the people who are victims of the war and famine continue to urgently need great quantities of food, clothing, and health assistance, we have received information that in the Gurue district almost 3,000 war refugees have stopped needing to depend upon food assistance since last year, having achieved a good level of self-sufficiency in food.

These statements could be true, but they are difficult to believe, particularly at this time when the armed bandits constantly impede peasants from practicing farming in many zones of Zambezia, making even more difficult the attempted transport of processing and farm implements, and attacking and burning trucks carrying foreign supplies.

Gurue cannot be an exception, we think. There could be an exception, though, in the fact that everything was going well in the 1,048 hectares that had been distributed just this year to the war refugees in the various accommodation centers of that district, under the framework of the Emergency Program.

According to reports, the rice, corn, and almond crops occupy the largest portion of those areas, where it is estimated there are at least 7,000 people in that situation.

One part of the seeds used by that population in the current growing season was donated by the British nongovernmental organization OXFAM, which also supports the above mentioned Emergency Program in Zambezia Province.

*** Emergency Grain Airlifted to Niassa Districts**
34420097b Maputo NOTICIAS in Portuguese
10 May 89 p 5

[Article by Rogerio Siteo]

[Text] The corn being transported through this airport from Pemba airport comprises part of a donation of 800 tons granted by the Christian Council of Mozambique, to alleviate the difficult famine situation caused by the war and the irregularity of the rains in the districts of Marrupa and Mecula, in Niassa Province.

Last week, with the arrival of the operation coordinator representing LAM [Mozambique Air Lines], flights to Marrupa were increased from 2 to 3, each one transporting 4 tons. Despite the effort also undertaken by the flight crews and the operation coordinator to increase the number of daily flights to 4, the intensification was not possible due to the early morning climatic conditions occurring in Marrupa, 45 minutes from Pemba Airport.

According to information provided by the Marrupa administrator and by our reporter who was in that region last week, over the last 3 years Marrupa has practically transformed itself into a center at which various assistance converges destined for the districts of Mecula, N'pepe, Maua, and Majune, all situated on the Niassa.

These districts have for the last 3 years been practically out of contact by land access with their respective provincial capital, Lichinga, because of the intense destabilizing attacks carried out by the armed bandits, who have concentrated their destructive activities on the roads, impeding bridge maintenance and consequently leading those districts into partial isolation.

External contacts with those districts occur through poor means of communication, by radio or simply by sporadic air service used by donor organizations, nongovernmental organizations, and religious communities, who send food donations and farming tools to lend support and aid to the population.

These factors together, in themselves, have worsened the already difficult situation of the dislocated population and those affected by the war in those districts. As an OXFAM official stated to our reporter recently in Lichinga, some districts of the Niassa are particularly delicate, and to think of lending any assistance to those in need implies making everything available, especially air transport, which is not in the least bit easy.

In Marrupa district, the number of war refugees is estimated at around 17,000, approximately half of the total population of the district, 36,000 people distributed in three administrative posts and five localities. The local administrator believes that the rest of the population is directly or indirectly seriously affected by the war.

"Last year, the war situation in this district was difficult. In June the armed bandits made an incursion against district headquarters and were repulsed by our forces. But during the whole year the population in most of the villages was unable to rest easily, constantly uprooting themselves from one zone to another, which did not allow any farming. This year the unstable environment still exists in some areas," said administrator Miguel Pintao.

Columns of People

The 17,000 refugees estimated in Marrupa do not include others originating in the districts of Maua, Nipepe, Majune, Mecula, and Balama, the latter coming from Cabo Delgado, whose numbers have not yet been estimated due to the constant movement of the populations who flee the atrocities of the armed bandits, according to that administrator.

Miguel Pintao also revealed that in those districts, where most assistance comes from Marrupa, a distance of between 130 and 146 km across rough roads, some of them impassable during the rainy season, the respective populations may be facing critical danger of famine and suffering greater than those who live in Marrupa, worsened by the difficulty of providing means of assistance.

In Marrupa, as our reporter was told by the Defense and Security Forces, columns of 100 to 150 peasants from Mecula take back to that district some products, specifically sugar, salt, and fuel for the mills.

"I am amazed, but that is exactly what it is; I am speaking of foot columns composed of people and protected by our comrades. They travel more than 100 km and take days to arrive here in Marrupa. They do not sleep at night, they travel better. That is how our people live in that zone," says a FAM [Mozambique Armed Forces] official based in the Marrupa district.

Similar stories were told our reporter last month in Lichinga. According to what we were told, due to the impassable state of the access roads the people of the Maua district also form columns of 100 to 150 persons, to go to the district of Cuamba to bring salt and fuel.

"The people take 3 days to walk night and day, escorted by our troops. They often ask us how we live and we simply respond that we do so just like this," said Martinho Nivaca, a Party official in that district, which last November was the target of yet another attack by the armed bandits.

Reunion

* 'Alarming' Number of AIDS Cases Reported

34190233a Victoria SEYCHELLES NATION in French
23 Apr 89 p 3

[Text] Twenty-seven cases of AIDS have been declared in Reunion, where the number of seropositive individuals hovers between 1,000 and 2,000.

To take stock of the situation, the World Health Organization (WHO) sent one of its members, Mrs Guerma Teguest, to the island at the end of March.

Mrs Teguest considers the epidemiological situation in Reunion alarming compared to other islands in the Indian Ocean. Indeed, the number of declared cases greatly outstrips that of neighboring countries. In Mauritius, for instance, three cases have been recorded; in Comoros, only two (one of whom was a foreigner).

According to Mrs Teguest, Reunion's sorry record could have two causes: the lack of communication between parents and children for one, and poor public education for another.

She noted, during a school meeting on AIDS information, that sex was still a taboo subject. According to Mrs Teguest, parents and children had trouble talking. She added, however, that this modesty was not peculiar to Reunion. This is so despite the increasing success in dispelling myths about AIDS.

According to Mrs Teguest, AIDS information in Reunion has not been adapted to Reunionese reality. Indeed, she believes information must not be transmitted solely through the media, for the message is not getting through. Here Mrs Teguest is alluding to the problem of illiteracy. Information agencies must go out in the field and establish dialogue with all segments of Reunionese society.

The World Health Organization drafts plans to combat AIDS for all countries. Mrs Teguest has drawn up a list of activities for Reunion that could be financed by WHO.

In concrete terms, these activities might consist of AIDS information, education, and prevention campaigns in the island and training for trainers.

Seychelles

* Record Tuna Catch; Foreign Vessels Increase

34000481b Victoria SEYCHELLES NATION
in English 8 May 89 pp 1, 2

[Text] Purse seining activities netted a record catch of 220,960 tonnes of tuna last year, an increase of 36 percent from the previous record set in 1987, the Seychelles Fishing Authority (SFA) reported in its 1988 Annual Report.

The report said the number of foreign purse seiners operating in the Western Indian Ocean increased from 39 in January last year to 48 in December.

The foreign vessels employed 130 Seychellois fishermen as at December last year.

However, SFA said it was still negotiating with representatives of labour and shipowners for a new contract for Seychellois seamen.

On longlining activities, the report said there was a 100 percent increase in the number of vessels in Seychelles waters last year over that in 1987.

The increase was mainly due to the agreement signed with Japanese fishing companies, the report added.

It was also reported that two private Danish trawlers, which started tuna fishing trials in October last year, abandoned the venture after two months because of "logistical problems".

Experts believed this is because the trawling method of fishing is not suitable for tuna, which can swim fast to escape approaching trawler nets.

This was the reason the purse seiner method was more successful as compared to trawling, because in the former method surface schools of tuna were caught by nets from below, an SFA official said.

The industrial fishing activities by foreign vessels, both purse seiners and longliners, brought R26 million in licence fees to the Government, the report said.

It also said that Seychelles signed fishing agreements with the USSR and two Japanese companies last year, allowing them to fish here.

On artisanal fishing, the report said 410 boats on Mahe, Praslin and La Digue landed a total of 4,343 tonnes of fish last year.

Whalers netted the most, 53 percent of the total catch, up from 46 percent in 1987. Catches by outboards constituted 29 percent of the total catch, down one percent from 1987. Schooners and pirogues contributed 11 percent and six percent respectively to the total catch last year.

Karang (Jacks), as usual was the dominant species group, making up 40 percent of the artisanal fishing catch. This is an increase over 1986 and 1987. Bourzwa (Red Snapper) catches fell from 12 percent in 1987 to seven percent last year.

Makro Dou (Indian Mackerel) catches rose from three percent in 1987 to seven percent of the total catch in 1988.

The total fish exports, consisting of fresh and frozen fish, was 575 tonnes or R12.1 million, down 15 percent from 1987. The fish was exported to La Reunion, France and the UK.

The report said that 43 fisheries loans were disbursed by the Development Bank through and SFA fishermen screening programme last year. The loans amounted to R2.6 million, representing a 56 percent increase over that in 1987.

However, SFA said: "There was serious loan repayment defaults by fishermen, due to their poor management skills and the low rate of returns on the investment."

The report also said that fishermen complained about perceived unfair prices being offered by the Seychelles Marketing Board's Fish Division, as well as high prices on fishing equipment at Indian Ocean Marine.

However, the fishermen unanimously supported a proposal for the formation of a fishermen association.

SFA was continuing with its plans to introduce new technology such as electric fishing reels and echo sounders in artisanal fishing to increase catches, the report said.

An increasing development was a new kind of boat, Lavenir (which means the future), which was field-tested last year. Two such boats, built by a private Praslin boat yard, had been sold to local fishermen.

"The oats seem to be doing well, in terms of catches, and they could be one of the new class of fishing boats to be introduced to fishermen," the SFA official said.

It is also known that the Government plans to have its own purse seiners, the first of which will be operational early next year.

There would also be a pilot project on giant clams farming that would be due to start as soon as approval was secured, the report added.

The report was edited by SFA assistant research manager Nirmal Jivan Shah.

Swaziland

ANC 'Activist' Receives 6 Years in Prison

MB1306115189 Mbabane THE TIMES OF
SWAZILAND in English 13 Jun 89 p 1

[Text] An African National Congress [ANC] activist was yesterday thrown in jail for six years, for killing Mbabane United Artisans player, Badelisile "Mguyo" Zwane last December.

Zweli Nyanda will however, serve an effective four years because two years of the sentence was suspended.

On completion of the jail term, he is to be given 24 hours to leave the country, and never come back again.

The sentence was passed on him by the Chief Justice, Mr Nicholas Hannah who found him guilty of the lesser crime of culpable homicide. He had originally been charged with murder.

Zweli, who had twice been deported from the country but came back, had told the court when he shot Mguyo, he was on assignment for the military wing of the ANC, Umkhonto we Sizwe and was to have finished the assignment and then proceed to Zimbabwe where he was to study commerce in August.

He had submitted that he thought Mguyo was a South African agent and feared for his life. He had earlier clouted Mguyo's younger brother, Anson for erratic driving.

Mguyo saw the assault and ran charging at Nyanda with a knife. It was then that Zweli told him he had a gun and would shoot but Mguyo kept coming.

The Chief Justice found that Zweli had acted like a bully-boy in clouting the younger brother at gunpoint and said this is what angered Mguyo, to charge.

Mozambican Refugee's Lomahasha 'Health Problem'

MB1306115289 Mbabane THE TIMES OF
SWAZILAND in English 13 Jun 89 pp 1, 20

[Text] The Government yesterday set up a fact finding team of officials to assess the deteriorating health problem in Lomahasha.

This follows reports of malnutrition among children in the area which has been aggravated by the arrival of large numbers of refugees from Mozambique.

The minister for health, Dr Fanny Friedman and the principal secretary, Mr Chris Mkhonta yesterday held an urgent meeting to discuss the disturbing reports from the area.

Officials in the team were not named, but the principal secretary, Mr Mkhonta said they will go down to Lomashasha to make an assessment of the situation to see what contingency measures can be taken by the government to "alleviate the problem."

Mr Mkhonta has expressed surprise at news of the situation in the border town which has been besieged by refugees who have found shelter with local families.

However the situation also includes a high number of cases of sex diseases and common cold due to excessive exposure to cold also affect local citizens. There are also signs of an emerging problem of scabies, according to local health workers here.

However, THE TIMES has established that though the Ministry of Health has only been taken by surprise now, the issue was brought to the attention of the Government last September, following which, the National Nutrition Council [NNC] sent a team to go and assess the situation.

Members of this council are from the Ministries of Agriculture, Health and NGOs [nongovernmental organizations].

The Ministry of Health is represented in the council, by the director, Dr John Mbambo who is currently out of the country in Canada.

A member of the council, Miss Christabel Motsa said yesterday the NNC made a report on its return from the inspection tour and all members were given copies which they were to show to their superiors.

Zimbabwe

*** New Investment Regulations Details Analyzed**
34000436b Harare THE HERALD in English
9 May 89 pp 1, 6-7

[Text] The main features of the new investment regulations are as follows with initial reactions in brackets:

- The aim will be to encourage investments in manufacturing, agro-based industries, rural and regional development, transport, communications, energy and water resources and mining but not in commercial farming and service sectors.

(Increasing land hunger by peasant farmers makes the further expansion of commercial farming undesirable while the service sectors are already well catered for.)

Definition of a foreign-owned company changed from one with a 15 percent foreign shareholding to one with a 25 percent foreign shareholding.

(The new 25 percent definition is regarded as slightly more realistic. Using the yardstick of the recent Confederation of Zimbabwe Industries' (CZI) ownership survey, in which 183 out of 550 companies had more than 15 percent foreign ownership or 56.1 percent of fixed assets, only 173 of these companies with 36.2 of fixed assets are now regarded as foreign-owned, facing more restrictions than local companies.)

The new Investment Centre will replace the Foreign Investment Committee and will be able to approve projects with an investment of below \$5 million directly, but projects above \$5 million will have to be approved by Cde Chidzero in consultation with the relevant sectoral ministries. Both will be processed in 90 days. The centre will first be run as a unit in Cde Chidzero's ministry, but will eventually become autonomous.

(If the 90-day approval period can be adhered to, this will be a major improvement on the 18-month or longer wait investors have faced in the past.)

Accession to the Multilateral Investment Guarantee Agency and the negotiation of new bilateral investment agreements will provide extra protection to foreign investors along with existing legal and constitutional provisions. The Government will also accede to several arbitration agreements for the settlement of investment disputes.

(Very welcome and hopefully the United States Overseas Private Investment Code, seen by many as a standard, will be included among the bilateral agreements.)

Up to 100 percent remittability for top priority projects only for a set period. Other investments since independence still 50 percent and older investments still 25 percent.

(Old investors and those since independence might have wanted a change in their remittability levels, but could be mollified by reassurances of better returns on investments through proposed price control and labour changes.)

Provision to be made for surplus and blocked funds to be used by third parties for investment.

(Merchant banks have been campaigning for this for some time. But surplus funds will still not receive venture capital status as they are seen as local monies which do not represent a foreign exchange liability.)

Borrowing limits for foreign-owned companies have been increased from 15 percent to 25 percent of shareholders' funds, although in the case of mining companies it is now 35 percent.

(Previously, reports CZI, if a company had shareholders' fund of \$100,000 and was 15 percent foreign-owned, it could borrow up to \$100,000 or 100 percent of its equity. But a company with the same equity and 100 percent foreign shareholding could only borrow \$15,000. Under the new rules, a company with a 25 percent foreign shareholding can borrow 100 percent of its equity while one that is 100 percent foreign-owned can borrow \$25,000. This eases borrowing—and, therefore, expansion—restrictions on wholly foreign companies. Borrowing beyond the formula limit is possible, but could result in further restrictions on remittability unless the borrowing supports exports.)

Company tax structure and various tax incentives, including the 100 percent special initial allowance for capital investments and customs duty, import tax and sales tax benefits for new investments, remain unchanged.

(This could be a disappointment to those who claim taxes are too high, but changes could well be made in the Budget later this year, although the Government could be concerned that tax-cuts could fuel inflation given current shortages and should, therefore, be introduced in a phased way as the economy recovers. In addition, foreign investors could gain relief from the growing numbers of double taxation agreements.)

Export incentives unchanged, but export revolving funds (ERF) are being considered for mining and agriculture.

(New ERFs for the two are needed by mid-year at the latest.)

Special separate "legislative and fiscal framework" is being finalised to provide incentives for investors undertaking specialised mining activities, such as oil exploration.

(This is welcomed, given the high foreign exchange earning potential of such activities, but it is hoped that environmental considerations will be borne in mind.)

Government prefers majority of Zimbabwean participation in the new foreign investment projects, but will allow up to 100 percent foreign ownership in high priority projects as long as arrangements are made to eventually transfer majority ownership to Zimbabweans, public or private.

(The Foreign Investment Committee has in the past preferred not less than an initial 20 percent local participation in new foreign investment projects.)

Measures are being finalised to encourage new local entrepreneurs by removing constraints facing them.

(This is welcomed given the fact that foreign investment alone cannot solve the growth and unemployment problem. Hopefully, financial and other controls will be revised to make it easier for local businessmen to obtain funds to start new businesses.)

No changes in expatriate employment conditions, but more flexibility is promised.

The Government is considering the establishment of export processing zones.

(This could help boost rural growth points, but some regard the fact that we do not have our own ports as a main inhibiting factor in this.)

Price controls are being reviewed and should be released soon. The Government reiterates its recognition of the need for more flexibility in determining prices for those commodities which are controlled, while limiting the range of commodities under direct Government control.

(The package will be incomplete without new price control regulations soon, although the Government's fear of rapidly rising inflation is understood—but many companies cannot wait any longer. The new measures are most likely to go into effect after July 1, when new wage awards go into effect.)

The Government also recognises that wage and labour regulations have contributed to the unemployment problem and, as recently announced by President Mugabe, has decided that collective bargaining will be introduced in all but agriculture and domestic service sectors.

(The parameters within which collective bargaining will take place need to be announced as soon as possible if July 1 deadline is to be met.)

*** Protected Villages Established Against MNR**
34000436c Harare THE HERALD in English
26 Apr 89 p 1

[Text] More than 6,700 people in Zimbabwe's north-eastern border areas have been moved into protected villages because of increasing brutal attacks by South African-sponsored MNR [Mozambique National Resistance] bandits.

Mashonaland Central Governor Joseph Kaparadza said yesterday that the people started being moved on Independence Day, April 18, and the exercise was expected to be completed by June.

Attacks by the bandits have been so bloody that provincial authorities and most of the people living in the affected areas have agreed on the need to set up protected villages.

The bandits last Thursday axed nine people to death at Cinyamunda village in Rushinga. Hospital authorities in the area said cases of bandit victims were on the increase and banditry was now the sixth out of about 20 main causes of death in hospitals.

Cde Kaparadze said the 6,721 people had been moved into nine planned village settlements in the Rushinga administrative district.

He said 50 planned village settlements had been identified from Mukosa, in Rushinga district, to Kanyemba in the Chapoto communal lands, a distance of about 175 km. Other villages would be in the border districts of Mount Darwin, Centenary and Guruve.

Cde Kaparadza said the planned village settlements, which were different from protection camps set up by Rhodesian authorities during the liberation war, were guarded by security forces round the clock. Unlike the Rhodesian camps, the settlements had residential and farming areas and woodlots "to preserve the environment".

"In fact, we will always try and ensure that the planned village settlements are not very far from the people's old homes so they can always walk back to their fields during the day," he said.

One of the setbacks was the shortage of transport and he expressed hope that the Government would act soon to improve the situation.

MNR bandits cross into Zimbabwe in search of food and clothing and, in the process, kill villagers, commit arson and rape and sometimes kidnap their victims.

People in areas without planned village settlements abandon their homes at night to sleep at schools or other properties where they can be protected.

*** Minerals Marketing Figures for 1988 Reviewed**
34000437b Harare THE FINANCIAL GAZETTE
in English 29 Apr 89 p 1

[Text] As previously forecast, the Minerals Marketing Corporation of Zimbabwe (MMCZ) has achieved record results in its 1988 trading, with audited sales increasing by 25.3 percent to over \$814m, and recording a net surplus of \$3.1m, compared to a surplus of \$1.8m in the previous year.

The record results have been due to a combination of factors, including buoyant commodity prices—particularly in the second half of the year—and a prudent management of exchange rate policy by the Zimbabwe authorities.

During 1988, the rise in sales by the MMCZ as agents was mainly due to the declining value of the Zimbabwe dollar against the U.S. dollar, the rise in demand for stainless steel worldwide, and a general favourable movement in international price levels.

However, the MMCZ's sales on own account during 1988 dropped 25 percent to \$1.8m, mainly due to the non-availability of equipment for emerald mining, and also due to problems experienced by small-scale miners in the payment of exorbitant pegging fees. To this end, the corporation has expressed a need for the Mining Commissioner to intervene and reserve certain areas for mining purposes, thereby legalising illegal mining and leading to an increase in deliveries to the corporation.

Most of the minerals marketed by the MMCZ showed a significant increase in values, with stainless steel increasing from \$280.4m in 1987 to \$339.1m in 1988.

Despite the "health hazard scare" over the past few years, asbestos had also enjoyed good prices during the year, and currently there were no saleable stocks at mine. Nickel and its by-products rose in value from \$75m in 1987, to \$150.1m in 1988. But there were indications that prices of iron and steel would fall in the first part of 1989, and pick up again from the second quarter onwards. Meanwhile, steel sales to Sadcc [South African Development Coordination Conference] and PTA [Preferential Trade Area] member states now accounted for 30 percent of total exports.

There was also an overall improvement in sales of other minerals such as copper, graphite, and gemstones.

In his report, MMCZ's chairman Mr Chris Ushewokunze said that the greatest constraint has been the high foreign currency demand for machinery, replacement spare parts, and consumables, and this had continued to have a negative effect on mine productivity.

"It is our view that the answer lies in generating more foreign currency through further injection of equity capital in foreign currency, by parents of existing foreign companies, or new foreign equity investors, combined with higher export earnings from higher value-added manufactured products," he said.

Since its establishment in March, 1983, the Minerals Marketing Corporation has earned an accumulated surplus of \$12.6m up to June, 1988. These funds are available for the strengthening of the corporation's business, and for selective investment in mining ventures.

*** Zimbabwe Refugees in Botswana Given Deadline**
34000437a Bulawayo THE CHRONICLE in English
29 Apr 89 p 1

[Text] Harare—Botswana no longer recognises anyone from Zimbabwe as a refugee and yesterday the authorities served a three months' notice to more than 500 Zimbabweans on its territory to return home immediately, a Government minister announced here yesterday.

At a Press conference yesterday the Minister of State (Security) and acting Defence Minister, Cde Sydney Sekeramayi, said Zimbabwe and Botswana had agreed in consultation with the United Nations High Commissioner for Refugees (UNHCR), on April 13 to invoke a clause in the Geneva Convention that cancels refugee status when circumstances that produce refugees cease to exist.

Cde Sekeramayi said Botswana and Zimbabwe had agreed to make a simultaneous announcement invoking the Geneva Convention of 1951 Cessation Clause article IC (5) at a meeting he held in Gaborone with the Minister of Presidential Affairs and Public Administration Mr Ponatshego Kedikilwe early this month.

He said the 563 refugees still in Botswana had been given up to July 31 to register with the UNHCR office and Dukwe refugee camp settlement authorities for immediate repatriation to Zimbabwe.

"With the cessation of bandit activities in Matabeleland and the general amnesty, the conditions have ceased for anyone to want to be a refugee and there is no longer any reason for anybody to be there as a refugee," Cde Sekeramayi said.

The Botswana Press Agency quoted Minister Kedikilwe as saying his country had taken this measure because it felt it was "no longer justifiable for any Zimbabwean to refuse to avail himself of the protection of his country on the grounds of persecution as provided for under the refugee law".

The governments of Botswana and Zimbabwe and the office of the United Nations High Commission for Refugees have agreed on arrangements to assist those who wish to regularise their stay in Botswana as any other aliens but warned that "anyone found after the 31st July without proper travel documents will be dealt with according to the relevant immigration laws of Botswana as he/she will no longer be able to avail himself/herself the status of refugee", Cde Sekeramayi said.

The two countries also agreed that Zimbabweans presently studying at the University of Botswana, the polytechnic and other government vocational centres would be allowed to continue their studies.

Burkina Faso

Compaore Chairs First Elders Congress

AB1106143389 Ouagadougou Domestic Service
in French 0700 GMT 11 Jun 89

[Excerpts] The congress of the National Union of Burkina Elders [UNAB], which began on 8 June in Matoukou, a town situated about 15 km from Bobodioulasso in the Houet Province, ended yesterday afternoon under the chairmanship of the head of state, Captain Blaise Compaore. [passage omitted]

The elders, according to their general resolution, adopted their statutes and internal regulations. At the political level, the congress stressed that the democratic and popular revolution in Burkina Faso is a process to free the people from exploitation and imperialist domination, and from backward forces. They expressed their determination to hold consultations on all national issues and to actively participate in the exercise of people's power. They also pledged to support youth activities by ridding themselves of the backward thinking which tends to crush the initiative of youth. They decided to work toward the development of farmers' cooperatives, which are meant to organize the farming population.

At the economic level, the elders examined the different possibilities for the Burkinabe people to develop an independent and well-planned economy with the aim of effectively achieving a transition economy. They pledged to join other forces of the democratic and popular revolution to make their contribution to the success of the economic policy.

At the social and cultural levels, they made suggestions that could help improve the living conditions of the people. Also during this closing ceremony, the list of the UNAB Executive Committee was published. The secretary general is therefore El Hadj Aboubakar Sangoule Lamizana [former president of the Upper Volta], and his deputy is (Baye Dama). The Burkinabe elders also issued several motions, recommendations and resolutions including a motion of support to the Popular Front for their policy of broadening the democratization process. [passage omitted]

Air Afrique Plan May Block National Airlines

AB0806214189 London BBC World Service in English
0730 GMT 8 Jun 89

[From the "Network Africa" program]

[Excerpts] The rescue plan for the ailing airline, Air Afrique, which has been drawn up by a Frenchman, Yves Roland-Billecart, could be bitter pill to swallow for the countries which own the airline. Under the plan, Air Afrique will control all the state-run and semi-independent airlines of its member states. It will also control traffic routes and monitor all flight tariffs. Now we are

going to look at the case of Burkina Faso. Burkina Faso has two airlines, that is Air Burkina which flies in Africa and Naganagani which goes to Europe, and these airlines have been doing rather well on their own. So, how will Mr Billecart's restructuring plan affect them? This report from Burkina Faso's capital, Ouagadougou, is by Michael Worman:

[Begin recording] [Worman] Every Sunday morning for the past 6 years, Naganagani touches down at Ouagadougou International Airport and returns a few hours later for Marseilles and Paris. The round trip ticket is almost half the price of the major airlines that come to Ouagadougou and is affordable by Burkinabe standard. In a local tongue of Burkina Faso, Naganagani means a free flying bird, but with Air Afrique's new restructuring plan, Naganagani may never fly freely again. Few people know the details of Naganagani's bumpy relations with Air Afrique better than Achille Diagouhi, assistant to operations at Naganagani. I spoke with Achille and asked him why Burkina is going to try and save floundering Air Afrique at the expense of their well managed company:

[Diagouhi in French fading into English translation] [passage omitted] Air Afrique contributes in fact absolutely nothing to Burkina Faso. That is why in 1983, Thomas Sankara created Naganagani. We really do not understand why Burkina Faso will suppress Naganagani in order to make Air Afrique work better. Naganagani is one of the few airline companies in West Africa that is capable of making a profit.

[Worman] So, what is going to be the future of Naganagani?

[Diagouhi] I think until now, there is no future for us. We are just waiting with anguish to see whether Roland-Billecart's restructuring plan will be applied or not.

[Worman] So, all is depending on whether this plan is going to be accepted or not?

[Diagouhi] All depends on that [words indistinct] hope that it will never be accepted. It will be a step backward by 25 years. [passage omitted] [end recording]

Ghana

Cocoa, Shea Nut Prices Increased

AB0306165589 Accra Domestic Service in English
1300 GMT 3 Jun 89

[Text] The government has announced increases in the producer prices of cocoa and shea nuts. The producer price for cocoa has gone up from 165,000 cedis to 174,000 cedis per tonne, and increase of 5.6 percent. The new price of cocoa per bag of 62.5 kg is 10,900 cedis, while a load of 30 kg is 5,232 cedis. The new producer price takes effect from the mid-crop season which opens on the 9th of this month. The producer price for shea

nuts has also been raised from 31,000 cedis to 35,000 cedis per tonne. A bag of shea nuts will now sell at 2,187.5 cedis. A kilogram of shea nuts is 35 cedis, showing an increase of 11.5 percent. The new price will come into effect on the 16th of this month. The producer price for coffee will be announced later.

Commentary on Increase

*AB0706102989 Accra Domestic Service in English
1800 GMT 6 Jun 89*

[Opoku Agyeman commentary]

[Text] The announcement of new, higher prices for cocoa and shea nut should give the farmers a fitting memory of the occasion of the 10th anniversary of the June 4 uprising. The decade has witnessed the worst downturn in the cocoa industry in particular, and with that, the farmers' toil to uphold that industry. Despite its ailments, the cocoa-coffee-shea nut sector will continue to be the economy's backbone. The farmers' toil to increase exports should therefore be supported with special price incentives. The producer prices of cocoa, coffee, and shea nut have been adjusted upward in a steep fashion several times since 1983 until the last increases last Saturday [3 June].

On its face, the timing of the increases makes it difficult to appreciate it as a sound policy. Coming in the midst of the anniversary of a political event which evokes an all-time concern for the welfare of the masses, some may take the price increases as political propaganda. More so, the situation in Cote d'Ivoire, the leading cocoa producer, is the very opposite of the Ghanaian producer price policy. Cote d'Ivoire, under pressure to end her stockpiling of cocoa since 1987, is in search of ways of maintaining her producer price, currently higher than that on the world market. When, after the middle of last month, world cocoa prices slumped from 710 pounds to 686 pounds per tonne, the lowest for 14 years, the Ivorian Government organized a special meeting of her cocoa producers to discuss her pricing and stockpiling policy. No decisions could be reached, though it was evident that the domestic traders were paying Ivorian cocoa farmers less than the fixed price.

The widely reported Ivorian difficulties and the general situation on the world market do not yet dismiss the Ghanaian cocoa output and pricing policy as inappropriate. Ghana's producer price of cocoa is still below the world market price. As a result of the policy of cutting the administrative and marketing expenses of Cocobod in favor of the farmers' share of the world market price, Ghana can afford to pay her cocoa farmers more.

Unlike Cote d'Ivoire, the recourse to a more market-oriented approach is permitting Ghana to increasingly pay her cocoa farmers a price nearer the world market price. The effect, as expected, is to increase Ghana's cocoa output. And since the slump in cocoa prices on the world market is due to the general glut in the supply

situation, one may wonder what Ghana hopes to achieve with her increased output. But here again, Ghana has an exclusive advantage. While seeking collective decisions to cure the ailments of the cocoa export business, each of the producing nations is planning to safeguard her share of the world market by clinging fast to her specific production and marketing advantages.

Fortunately for Ghana, the glut on the world market is more from inferior beans from the new major producers. Ghana's high quality cocoa beans guarantee her some 300,000 tonnes of yearly sale on the world market, a situation described as a market within the market. The 230,000-tonnes output achieved last year leaves Ghana some room to earn more cocoa revenue. Nevertheless, Ghana may still have to earn somewhat her [words indistinct] once the price incentives for other lines of exports, such as shea nut picking and cultivation. [sentence as heard]

Rawlings Leads Uprising Anniversary March

*AB0306170689 Accra Domestic Service in English
1300 GMT 3 Jun 89*

[Text] Massive route marches by the Ghana Army, the Police, the Prisons, the Fire Service, revolutionary organs, workers, and voluntary groups, took place throughout the country this morning as part of the activities marking the 10th anniversary of the June Uprising. In Accra, the march was led by the chairman of the PNDC [Provisional National Defense Council], Flight Lieutenant Jerry Rawlings, and service commanders. The leader of the revolution, who was on horseback, was wildly cheered by thousands of people lining the streets. The route march, which started from the Independence Square, ended at El Wak Stadium.

Earnings From Non-Traditional Items Increase

*AB1206203789 Accra Domestic Service in English
1800 GMT 12 Jun 89*

[Text] Ghana earned \$42.3 million for the export of nine selected nontraditional products in 1988. This shows an increase of 51 percent over that of the previous year. The items include pineapple and horticultural products, aluminium and wood products, common salt, fish and other marine products, and rubber. Others are spices, copra, canned food, vegetables and chocolate.

Disclosing this to newsmen in Accra today, the director of trade information of the Export Promotion Council, Mr Tawiah Akyea, said export items increased from 132 to 156, while the number of exporters also moved from 725 to 1,331. A sectoral breakdown shows that agriculture contributed 64 percent to the total export earnings. processed and semi-processed items contributed about 36 percent, while the handicraft export sector contributed less than 2 percent. The handicraft sector registered a decline last year as against the previous year, although the number of exporters increased from 54 to 148 in 1988.

Mr Akyea attributed the general improvement in the performance of the nontraditional export sector to favorable conditions under the ERP [Economic Recovery Program]. The key incentives, he said, are the export retention facility, duty-free importation of certain inputs, and the simplification of export procedures. However, constraints of working capital for investments, storage facilities at the ports, and lack of cargo (?crates) made the attainment of a higher performance difficult.

Mr Akyea announced that the Export Promotion Council is seriously considering storage facilities, appropriate location, source of funding, and management of such facilities to handle horticultural products.

Ivory Coast

Cocoa Negotiations With Philip Brothers Described
*AB0906090689 Paris AFP in English 0121 GMT
9 Jun 89*

[Text] Abidjan, June 8 (AFP)—The Anglo-American commodities firm Philip Brothers (Philbro) has won the right to market an estimated 280,000 tonnes of Ivory Coast cocoa, market sources here said Thursday.

The powerful New York based house, headed by Martin Kaufman, has snatched a part of the Ivory Coast business away from the French commodity dealers Sucres et Denrees.

The boss of the French firm, Serge Varsano, came to Ivory Coast twice to deal personally with Ivory Coast's octogenarian president Felix Houphouet-Boigny to try to win the exclusive right to market the balance of the country's 1987-89 cocoa harvest.

Sucres et Denrees last year won a contract to market 462,000 tonnes.

According to the sources here, Philbro was believed to have won the contract with a "pre-financing" down payment of 100 million dollars. The firm's representative in Abidjan refused to comment.

The boss of Sucres et Denrees, who left Abidjan on Wednesday on board his own private airplane, is meanwhile expected back as of Friday for further negotiations over the 1989-90 harvest, reaching nearly 800,000 tonnes and reputed to be of high quality.

The sources here said that the two firms could end by sharing responsibility for marketing that crop in line with President Houphouet-Boigny's wishes.

Ivory Coast, the world's leading producer of cocoa, has been stockpiling the commodity for some years in order to maintain the international price, and had in the past given Sucres et Denrees exclusive marketing rights for the quantities released.

Human Rights League Holds Press Conference
*AB0606095689 Paris AFP in French 1646 GMT
3 Jun 89*

[Text] Abidjan, 3 Jun (AFP)—A human rights league that was launched in March 1987 was officially introduced for the first time yesterday evening at a press conference held by its secretary general, Prof Rene Degni-Segui. The introduction of the Human Rights League of Ivory Coast (LIDHO) was made in the absence of local journalists who, according to Professor Degni-Segui, were not granted permission by their parent ministry to cover the event. Professor Degni-Segui deplored this "unfortunate decision" by the Ivorian authorities, adding that no explanation for this refusal had been given him by the Ministry of Information even though he had applied in writing for this permission to be granted.

Contacted today by AFP, Information Minister Laurent Dona Fologo declared that the organization was yet to receive the approval of the Ministry of Interior and that it was not on the list of authorized associations. The issue is administrative, not political, he said. "We have no problem whatsoever with human rights in the Ivory Coast," he added. He said he was prepared to receive the representatives of the league who would be able to carry out their activities as soon as they have the necessary authorization.

Professor Degni-Segui, a senior law lecturer at the University of Abidjan, expressed surprise about the stand taken by the Ivorian authorities, stressing to AFP that LIDHO had already submitted its constituent file to the Abidjan mayor's office where it was registered under registration No. 1216. He even received a receipt for it. "According to the terms of the law of September 1960, associations may be formed without permission. All they need is prior declaration," he said. "The Ivorian authorities want to impose on us something that does not exist," he added. "The LIDHO," he stressed, "is not a member of any political or confessional group, but it has the right to speak its mind on all problems concerning the promotion and defense of human rights." Professor Degni-Segui asserted that he was not opposed to dialogue, and that he was ready to meet with Mr Dona Fologo "if the minister requested him to do so."

According to its statutes, LIDHO carries out its activities and objectives with its own resources which presently come from membership dues, contributions from its members, donations and legacies. The LIDHO now has 60 members, mostly university scholars. It is structured in line with similar associations. It has a congress, a supreme organ which sits every 2 years, and a seven-member national executive bureau headed by a secretary general. The association, Professor Degni-Segui specified, does not interfere with the activities of the Ivorian branch of Amnesty International which cannot intervene in issues in Ivory Coast. "Nature does not like vacuums, so this vacuum must be filled by the LIDHO," he added.

"Amnesty International essentially defends victims of opinion or political right violations. But LIDHO has a wider scope. It covers all rights, both civil and political rights, as well as economic, social, and cultural rights," he continued.

Liberia

President Doe Claims Divine Right

AB0906210189 Monrovia Radio ELWA in English
1710 GMT 9 Jun 89

[Text] President Samuel Kanyon Doe says the next president to succeed him will not be Baccus Matthews of the United People's Party, Edward Kessely of the Unity Party, or Jackson F. Doe of the Liberia Action Party. He asked members of the opposition parties, who are fighting for power, to know that power comes from God and that if God wants to give it to you, He will give it to you. It is (evident) that you cannot fight for it. He maintained that it was God who made him to lead the people of this country. President Doe's remarks came at the Monrovia College auditorium, where he had gone to check out work that was being done on the school due to recent rains.

President Doe said he was committed to developing this country and will never mind party politicians who have nothing to offer and said he wanted to do things that my people will remember. I want the people to get more food and food because when the people are hungry they can't talk politics. You can only talk politics when you are fed but you can't depend on [words indistinct].

Official Clarifies Statement

AB1006145789 Monrovia Radio ELWA in English
1110 GMT 10 Jun 89

[Text] The national vice chairman for operations of the National Democratic Party of Liberia [NDPL], Mr Oscar Quiah, has said the front page story carried by the DAILY OBSERVER newspaper yesterday under the caption "They Will Never Be President" is completely out of context. Reacting to the story, Mr Quiah recalled that during his remarks at the Monrovia College, President Doe said leaders had no need to try to create confusion in themselves for power. He said power comes from only God, and God gives power to whomever he favors.

According to an NDPL release, Mr Quiah pointed out that President Doe told the students of the Monrovia College that his priority now is not politics but to ensure that our people have more food, jobs, and better living conditions. As for the opposition, their concern is only to make confusion without finding solutions. Mr Quiah said those who profess to be leaders must bring hope and provide guidance to those they lead. Leaders do not only count on the resourcefulness of others but must themselves be resourceful, Quiah concluded.

Mali

Foreign Minister Leads OAU Delegation to U.S.

AB1106222689 Bamako Domestic Service in French
2000 GMT 11 June 89

[Text] The new minister of foreign affairs and international cooperation, Dr Ngolo Traore, will leave this evening for Washington and New York. While in the U.S. capital, Dr Ngolo Traore will represent the current OAU chairman, General Moussa Traore, at consultations between Africa and the United States on Africa's debt and economic recovery. This meeting, which is organized by United Nations and the Afro-American Institute, will take place on 13 June. Also on behalf of the current OAU chairman, the minister will lead the second OAU ministerial delegation to the new U.S. administration. The delegation will discuss Africa's problems in general and southern Africa, the debt issue, and Africa's economic recovery in particular. This meeting will take place from 12 to 16 June. In addition to Dr Ngolo Traore, leader, the delegation comprises the foreign ministers of Zimbabwe, Niger, Congo, and the OAU secretary general. While in New York, the Malian foreign minister will hold discussions with United Nations Development Program officials on the organization and financing of an OAU international seminar on Africa's external debt.

Nigeria

Party Challenges Conditions For Registration

AB1206204389 London BBC World Service in English
1709 GMT 12 Jun 89

[Text] With just weeks to go now to the deadline for the registering the political parties in Nigeria, quite a few aspiring politicians must be wondering if they can afford it. The National Electoral Commission has been given the job of making sure the new parties follow strict guidelines, and the costs are proving so prohibitive that some may be unable to meet them. From Lagos, Sola Odunfa telexed this report:

[Begin studio announcer recording] Most of the 20-odd political associations formed in the past 6 weeks have been complaining privately. But now one of them has mustered the courage to make its complaint public. The People's Solidarity Party, the PSP, last week published a copy of its protest to the National Electoral Commission against one of the conditions which, it said, would cost a fortune to meet. The condition requires each association seeking registration to produce two passports photographs of each of its members—one for the membership card and the other for the register of members. The condition sounds easy enough to meet until one starts considering its cost.

The national chairman of the PSP, Alhaji Mohamed Darsika, said his party intended to recruit and register a minimum of 100,000 members in each of Nigeria's 21

states. He calculated that at the current rate of 15 naira per set of passport photographs, this meant that the PSP must fine over 31 million naira, which he described as prohibitive to pay for the photographs. Even if the money was available, the PSP leaders said, there were other constraints which make the condition almost impossible to fulfill. He listed these as shortages of photographic materials in Nigeria for such a majore exercise, lack of photographers in several rural areas, and the taboo against the male photographers taking pictures of women in "Pada" in some parts of the country. The PSP appealed to the commission to relax this condition.

There's been no official response as yet, but some reports quote Commission Chairman Professor Humphrey Nwosu as saying that the NEC would look into it if other political associations made the same complaint.

The other area of complaint is the condition which requires each association to employ a minimum number of full-time staff not only in its national and state headquarters but also in every one of Nigeria's 450 local government areas. Various newspapers and politicians have put the cost of this at a minimum of 30 million naira per annum, a commitment which, they say, is restricting the formation of parties to the rich. They also describe it as a factor which may promote corruption in the coming civilian era.

Application for registration of political parties will start on July the 1st and end on July the 15th.

Meanwhile the ban on political activities imposed in Lagos and Bendel states 2 weeks ago is still in force. [end recording]

Academic Admits Writing Anti-Babangida Leaflet
AB1106185489 Paris AFP in English 1012 GMT
11 Jun 89

[Text] Lagos, June 11 (AFP)—Tai Solarin, a Nigerian academic and an outspoken critic of Nigerian governments, has confessed to writing a leaflet that said President Ibrahim Babangida was the richest general in the world, press reports said this weekend.

He admitted that the leaflet in which he invited the head of state to justify the "trenchant and unpalatable revelations" he purported to have access to was based on a photocopy of a document that proved to be a fake.

Mr. Solarin was arrested Wednesday and freed the next day. He made his confession at that time to Nigerian journalists accredited to the police.

The leaflet quoted EBONY, a U.S. magazine with a largely black readership, as having listed General Babangida as the world's seventh-richest head of state and the richest general in the world, with 400 million pounds (600 million dollar) in bank accounts.

The government swiftly demonstrated that EBONY had published a list of the powerful black Americans and that Gen. Babangida was not mentioned in it or in any other publication.

The leaflet drew an irate response from the government partly because it was circulated during recent anti-government riots in Lagos in which an estimated 100 people died and in Benin City, southern Nigeria, where another 40 were killed.

Former President Writes on Impact of SAP
AB1106204889 Paris AFP in English 1636 GMT
11 Jun 89

[Text] Lagos, June 11 (AFP)—The economic reforms known here popularly as SAP (structural adjustment program, a World Bank term) in 30 African countries including Nigeria "has left human skeletons strewn across the African landscape," a respected former Nigerian head of state, retired General Olusegun Obasanjo, said in an article published Sunday.

"There is virtually no sub-Saharan African country where the average man is not worse off today than he was at the beginning of the eighties, in most cases because and in spite of the SAP," he wrote in NEWSWATCH magazine.

Gen. Obasanjo inherited Nigeria's presidency in 1976, when Murtala Mohammed was assassinated, and turned power back to civilians in 1979. He remains active on the world scene as an elder statesman and runs a large farm near Lagos.

He said adjustment must not kill development, stifle initiative but must encourage growth, especially in food and agricultural production.

The pain of the program "can and must" be reduced, especially on the most "vulnerable" members of the society.

He also expressed his dissatisfaction with the fact that Africa was not making any headway in any of the four avenues for resource-flow required for normal growth and export-oriented economy.

These avenues are trade, official development assistance, loans and direct investment, he wrote.

Awareness Council Supports Relief Measures
AB1006221989 Lagos Domestic Service in English
2100 GMT 10 Jun 89

[Text] The Nigeria Council for National Awareness has advised government not to allow what it called red-tapism to frustrate the implementation of set relief measures it announced last Thursday [8 June]. Noting that the measures would go a long way to reduce the

current social and economic hardships experienced by the majority of Nigerians, the council expressed the hope that their implementation would be pursued with vigor.

Government To Form Antinarcotic Agency
*AB0206190889 Dakar PANA in English 1620 GMT
2 Jun 89*

[Text] Abuja (Nigeria), 2 June (NAN/PANA)—The Nigerian Government is to set up an anti-narcotic agency to curb drug trafficking by Nigerians both at home and abroad, the minister of internal affairs, Col. John Shagaya, has said.

Shagaya told the American ambassador to Nigeria, Mr. Princeton Lyman, who paid him a courtesy call in his office in Abuja, Nigeria's future capital, that the agency would be manned by men from the Customs and Excise Department, Ministries of Health and Aviation, the police and other security agencies.

On the arrest of Nigerians for drug trafficking abroad, the minister claimed that most of all those arrested in the United States and other parts of the world were non-Nigerians with Nigerian travel documents.

He, however, stressed that "government is doing everything possible to check passport malpractices."

On the delay in the processing of expatriate quota applications, the minister assured that he was ready to look into such requests if specific areas were drawn to his attention.

He also assured the ambassador that security sniffer dogs for use in detecting traffickers would be put to proper use.

Earlier, the ambassador had decried the rate at which Nigerians were arrested for complicity in drug trafficking both at home and abroad.

He commended the Nigerian Government for improving its security network.

Drugs Worth 10.6 Million Naira Seized April-May
*AB0606165189 Lagos Domestic Service in English
1500 GMT 6 Jun 89*

[Text] Hard drugs worth 10.6 million naira were seized at Murtala Muhammed International Airport between April and last month. Twenty-nine persons were arrested in connection with the seizure. Investigations carried out by our Radio Nigeria aviation correspondent show that foreigners and old women are now being used to carry the drugs. An official of the narcotics squad of the Department of Customs and Excise told our correspondent that it was difficult to arrest the drug barons because of many intermediaries between them and the couriers. He however pledged the determination of the squad to continue to do everything possible to reduce drug trafficking at the airport to the barest minimum.

*** Nordic States To Assist Nation's Recovery**
*34000496b Lagos DAILY TIMES in English
2 May 89 p 24*

[Article by Dayo Alao]

[Text] Nigeria's economic diplomacy has enjoyed the support of the Nordic countries of Western Europe.

As a result, Sweden, Denmark, Finland and Norway have given indication of a more realistic trade relations with Nigeria.

This indication was communicated to the Minister of External Affairs, Major General Ike Nwachukwu at the end of his 10-day bilateral tour of Western Europe by the host countries.

The minister who led a trade delegation of top government officials, representatives of the private sector, and the banks was assured that every possible thing would be done to assist Nigeria recover from its ailing economy.

In each of the countries, members of the chambers of commerce financial institutions, and business experts were informed about the new government incentives to investors.

They were also educated on the attempts being made by the present administration to correct the economic mistakes of the past and to normalise the trade imbalance.

The visit which provided a good avenue for dialogue between Nigerian delegates and with nordics investment, and would be investors in Nigeria cleared different issues of what investors described as "bottle-neck, and bureaucracy" that had, for long, discouraged investment in Nigeria.

General Nwachukwu also seized the opportunity to inform those who still feel that Africa is a dark continent not suitable for investment but for sourcing raw materials, to understand that "gone are the days when the Western world sees the African continent as unsuitable for technological and scientific investment."

The minister said Nigeria, and Africa as a whole, has the market, and the manpower need for industrial development.

"Nigeria with a population of 120 million people, plus another 80 million along the coast of West Africa, you will agree with me that the market is not only there but that labour is also cheap," he said.

Reacting to the addresses and the dialogue of trade delegation, the Danish Chamber of Commerce, the Swedish chamber of Commerce and the Norwegian Chamber of Commerce have promised to send delegates to Nigeria.

*** Swindler Arrested in \$22 Million Oil Fraud**
34000495a Lagos THE GUARDIAN in English
30 Apr 89 pp 1-2

[Text] Security agents in Europe have arrested a Nigerian who attempted the biggest crude oil sales fraud ever. If he had succeeded with his scheme, the 60-year-old Nigerian resident in London, would have smiled to the banks with an easy-come \$22 million (N167.2 million). But now he is being charged by Scotland Yard for the attempted swindle.

He was arrested in a hotel room in Rotterdam by Dutch policemen posing as potential buyers. The detectives were accompanied by an official of the London International Maritime Bureau (IMB), an arm of the Paris-based International Chamber of Commerce.

The IMB official, Mr Eric Ellen was tipped off by the American buyer first approached by the Nigerian who had demanded the money in order to release the documents on the oil shipment.

The Nigerian's arrest, reported by the New York-based JOURNAL OF COMMERCE last Monday climaxed what has been a running battle between the International Chambers of Commerce and dubious international businessmen over sales of Nigerian crude oil.

The victims are usually oil traders, buyers, and maritime officials, and they have for the past few years fallen prey to those con-men with their false claims of large cargoes of Nigerian crude for sale.

According to the journal, it was easy to see why some hard-head international businessmen allowed themselves to be so easily conned. The dubious middlemen, most of who are identified as Nigerians, usually arrange meetings with oil buyers, where they show proof that they had oil for sale. Such proofs come in the form of identification of genuine cargoes of Nigerian oil, but with fraudulent documentation. The vessels carrying the Nigerian crude can easily be confirmed to be on the sea, but the bills of lading, certificates of origin, quality reports and other information on vessels carrying the cargo were usually found to be fakes.

With such supposedly original documents, some buyers would not hesitate when asked to enter a deal to take delivery of the oil.

Prior to the arrest of the Nigerian, other nationals usually demanded less amounts as initial down-payment, pending delivery—usually two per cent of the

value of the fairly cargoe, which averages \$300,000. The money would be claimed as representing port charges or loading expenses. And then they disappear with it.

"What I notice, and what others noticed over the past year," a lawyer told the journal, "is the (better) quality of the documents being used: They look 'legit' with ship stamps and signatures."

Mr Ellen who is IMB director and coordinator of the oil fraud unit, agreed. These Nigerian conmen, he said, are not ordinary run-of-the-mill itinerant travellers but are sophisticated and clever. "They are well-educated, wear nice clothes and have good watches," he pointed out to the journal. And, in addition, they usually claim that they are well-connected within the Nigerian government. Two of the traders were swindled by these businessmen who used special designations to describe their cargo. "If the cargo is described as diplomatic or President's gratuity, Mr Ellen warned, "be wary. These kinds of cargoes are not available."

But the arrested Nigerian did not go through that route. His American victim, whom Scotland Yard police is yet to name, was merely approached with forged documents. The Nigerian, it was said, tried to persuade the buyer that he represented a firm that wanted to sell 1,177 million barrels of Nigerian crude oil originating from the Nigerian National Petroleum Corporation (NNPC). The victim was to buy the cargo outright for \$22 million, to be paid for through a letter of credit from a U.K. firm, Police said.

But before that happened, the Nigerian was said to have managed to get more than L200,000 (N2,600,000) from two British nationals for "initial expenses." The American buyer was doubtful of the deal and subsequently telephoned Ellen's IMB for help. The deal would have been sealed at Rotterdam where police came instead with Mr Ellen to make the arrest. The Nigerian was later transferred to the UK where he was subsequently charged.

Oil dealers and the security agencies are worried over two issues. They fear that officials of the NNPC may have been implicated in the frauds by supplying information to the business con-men. They also fear that the Nigerian's arrest may not slow down the rate of frauds being committed because of the slow way the law deals with the cases. Mr Ellen told THE JOURNAL OF COMMERCE that in December last year, five people were arrested in London for presenting false documents to collect payment on an oil cargo. But their charges were later dropped on grounds of the enormous cost it would take to prosecute.

Mr Basheer Koko, assistant manager of the NNPC's London office had already cleared his organisation of any involvement in the deal and Ellen himself thinks the NNPC is not guilty.

Senegal

BBC on Return of Senegalese Moors

AB0906181789 London BBC World Service in English
0730 GMT 9 Jun 89

[From the "Network Africa" program"]

[Text] Although tensions between Senegalese and Mauritanians have not totally subsided in Senegal, things are beginning to look up. The conflict, you may remember, was between Africans and Arabs, but one group that was also affected in Senegal were the Senegalese Moors. These are Senegalese people of Mauritanian origin. Well now, as you hear from Mark Doyle in Dakar, after facing anger from native Senegalese during the disturbances, these Senegalese Moors are being gradually accepted back into society.

[Begin Doyle recording] The Senegalese Moors are black-skinned but are a distinct group apart from Senegal's majority Wolof ethnic group. In normal times, they live in harmony with the Wolof. But when the anti-Mauritanian violence reached its height in Dakar, some 4,000 Senegalese Moors living in the city took refuge along with the Mauritanians for fear of being taken for Mauritanians and being swept up in the frenzy of violence. However, when the mainly Arab Mauritanians were flown back to Mauritania on the international air bridge, the black Senegalese Moors said we do not want to leave our adopted city, which is Dakar. The Senegalese authorities sympathized with their plight and put them under protective custody at an Army barracks just outside Dakar. Three months [as heard] later, now that tempers have cooled, the authorities have decided that the time has come for the Senegalese Moors to return home. A week-long campaign was mounted on Senegalese radio and television, explaining that the Senegalese Moors should be allowed to live in peace. Traditional and religious leaders, opposition politicians, and government officials have all been involved in the campaign. It seems to have worked.

While some of the Moors returned home in government buses, others were collected from the Army camp by their erstwhile neighbors. The men, women, and children, who had been in the camp for almost 2 months, showed great relief on their faces as they left the austere surroundings of the Army barracks. Some of the Senegalese Moors returned home to find their houses had been robbed while they were away, but most were safely welcomed back into their neighborhood in a spirit of solidarity.

When the history of the Senegal-Mauritania tragedy is written, condemnation will no doubt be heaped on both sides. But there should also be one short chapter that has a relatively happy ending: (the trials) of the Senegalese Moors of Dakar. [end recording]

* Deeds, Openness Required After PS Congress

34190098a Dakar LE SOLEIL in French
7 Mar 89 p 11

[Article by Ibrahima Mansour Mboup: "The Price of Salvation"]

[Text] While the Socialist Congress of 4-5 March is over, what is of extraordinary importance is that its spirit lives on. Furthermore, backed by all the aspirations tending toward renewal and openness, that spirit would gain by being propagated immediately, so as to vitalize future action. Henceforth, that is the only thing that counts, along with the time factor.

That is where the singular role of officials who head our structures at all levels of the hierarchy is situated. Away with vile maneuvering based on personal interests and welcome to the famous party patriotism! Clearly defined and set forth, the "new" concepts of internal democracy, transparency, a unified spirit and who knows what more, must now be spread as widely as possible. It is high time to proceed in such a fashion, placing particular emphasis on the adaptation of a strategy that is far from having passed the test: simultaneity.

Actually, in the same space, at the same time and throughout the country, information meetings would be held, naturally marked by the stamp of truth, the only truth engendered by now historic assemblies: regional meetings one day, sections another, and so on, up to the committee level. Such programming on the heels of widespread information in the media would maintain the sacred fire.

Also in line with that widely expressed and stated desire for change, logic should dictate that political officials not betray the slightest detail of the sessions of 4 and 5 March 1989.

Moreover, in the name of that same desire, why would they not invite observers? In order to be properly spread, good news has its requirements, precisely to include excellent arrangements, and it is certain that such a state of mind works in favor of their party's credibility.

The PS [Socialist Party] of the future is only a few lengths away from its launchpad and at this point in their schedule, our friends, the politicians, have the difficult but thrilling mission of leading the way to change, while setting the example of transparency. One would truly have a poor opinion of them if they were to twist the neck of the principles of a common agreement.

One would have a like view of members, now liberated from and immunized against all hereditary blemishes, if they were to stupidly plunge back into schemes and other secessions. It is they who are henceforth the masters and we must constantly remind them of the fact. Today, now that all their aspirations have been taken into account,

they must never bargain away their militancy. It is a question of faith, in the higher interest of the majority. Such seems to me to be the price of salvation.

*** Diouf's Proposed Reforms Deemed Inadequate**
34190217b Dakar WAL FADJRI in French
7 Apr 89 pp 4-6

[Commentary by Tidiane Kasse: "The Plus and the Minus"]

[Text] Reform of the Electoral Code, the drafting of a charter of democracy, and access by the political parties to the state-owned media. These were measures announced by Abdou Diouf in his message of 3 April and that our deputies will study, beginning now, in the form of draft legislation. However, these measures for a democratic opening continue to be rejected by the opposition.

What was simply an impression has now been confirmed. Although he states that he wants to resolve the crises that are shaking our country, Abdou Diouf intends to deal with them as a kind of foreman, as the captain who is the only master of the ship after God. The spirit of cooperation born at the round table to resolve the political stalemate had already been worn out by the time of his speech at the time of the resumption of political activity in October 1988. His message of 3 April no less clearly confirmed the determination of Diouf to continue—alone—on the path that he has set out for himself. In place of political solutions worked out with others we find ourselves again faced with actions that, unless they are accepted by the parties concerned, will quite simply be imposed on them. And the reactions expressed within the opposition to this news only serves to deepen the political stalemate.

Between two sides that are radically opposed to each other any attempt to reach a complete identity of views is, of course, an illusion. However, there is a minimum amount of common ground that is worthwhile seeking in order to strengthen our democracy. It is certain that Diouf's speech of 3 April constitutes a step forward in the democratic process. With proper identification of voters, the dead will no longer be able to vote, even if those who stuff ballot boxes have a dozen ways of getting around the law with the 12 documents that can be used to identify a voter. However, the distribution of ballots before the beginning of the election campaign, the replacement of the national proportional representation system (affecting 60 deputies) and the election by a majority vote by department (affecting 60 deputies) by proportional representation at the department level are achievements that make the game more interesting for the opposition.

On the basis of the results of the legislative elections of 1988 that gave 17 seats to the PDS [Senegalese Democratic Party] and 103 seats to the PS [Socialist Party], Laurent Zuccarelli was able to conclude in his book, "La

politique senegalaise (1940-1988)" [Senegalese Politics, 1940-1988], that an election based on proportional representation would have given "about 85 seats to the PS and 35 to the PDS. Without disturbing the necessary presidential majority this would have been a more just reflection of the will of the Senegalese voters." The system of proportional representation at the department level has fewer advantages. However, it would be no less advantageous, compared with the Electoral Code now being changed.

Although this is true, the measures proposed have the shortcomings proper to their own nature. That is, they have not gone beyond the partisan interests of their principal author. This is true even if the contribution "of observers and participants in our democratic system" is mentioned in passing. The changes envisaged in the Electoral Code leave unresolved such essential points as the optional use of a curtained-off voting booth, the prohibition against political parties presenting joint voting lists, the composition of committees in charge of voting booths where the opposition is often inadequately represented, etc. There is also a limitation of the election campaign to 14 instead of 21 days. This is a measure that reduces the possibilities for physical contact with the voters, an indispensable element of a political campaign. And, it may be said in passing, this is one of the major advantages of Abdoulaye Wade.

The recourse to a more democratic use of the state-owned media to make the political game more interesting does not eliminate all concerns, to the extent that nothing has yet been said on the respective use of air time—whether during an election campaign or at other times. This arrangement will be in force between the PS and the other parties. And, above all, nothing has yet been said about how these promised debates will take place. For the moment many things are left in flux, and the same is true for the "Charter of Democracy."

Meantime, while waiting to know in detail the rules of "good conduct" that are to be imposed on it, the opposition has already seen a threat in this area. The obligation to show "respect, particularly for the republican, secular, and democratic character of the Senegalese state, the institutions of the republic, national independence and unity, and finally public order and the rights of the citizen," although it seems that it should apply generally to the parties to that it is addressed, does not dispose of doubts about a certain arbitrary outlook and excesses that history has already shown us. The de facto, single party state that characterized a considerable part of the reign of Senghor was built as much on the absorption as by the elimination of other parties. The prohibition against the Bloc des masses senegalaises [Bloc of the Senegalese Masses], among others, in 1963, as well as the Senegalese National Front that Sheikh Anta Diop was to establish after this action was taken, are cases in point. The reason given was that the government could not "tolerate a political group devoted to

subversion." However, the fundamental reason seemed to relate to the fact that the supporters of Mamadou Dia, imprisoned 1 year earlier, had joined the new political group as a body.

To put the new Election Code, the Charter of Democracy, etc. in proper form our deputies met on 7 April for their first ordinary session, with the draft laws amending the Electoral Code, on political parties, and on the length of the terms of municipal and rural councils before the National Assembly. Unfortunately, the changes will not be a panacea for the crisis, just as the passages devoted by the president to the university crisis in his speech are not of such nature as to resolve the situation.

Diouf proposed continuing with the status quo to the teachers at the university because the state could not enter into "other commitments that would reduce to nothing the achievements made by our efforts to recover.... No Senegalese would gain from such an action, and government employees even less." Therefore, there is no question of going beyond the 165 million CFA francs allocated to the university teachers. And the state will make no commitment, even over the next several years, concerning their claims for compensation. Has Diouf closed all doors to later negotiations by this speech? No doubt this is the case when you know that, in order to negotiate, there have to be two sides to make concessions. Now Diouf is very clear on this point: there is no longer any question of making concessions.

The same action was taken regarding the coming strike in other institutions of education. And at this level Abdou Diouf justified his action better than he did in the case of the university. In effect, in order to respect certain commitments made to the trade unions, the state will have to spend "more than 4 billion CFA francs over 2 fiscal years." However, in view of the impact of the expenditure of these billions of CFA francs on the living and working conditions of the teachers, they are not wrong in saying that this is too little. An increase of 10 to 15,000 CFA francs, subject to tax, is not going to strengthen their position.

Finally, everything comes down to the economy, and we understand why Diouf gave priority to this sector in his speech, dwelling on it at length. His conscience seems to be clear regarding the slowdown of our economy. And the decline in our industrial production was not to reorganize things. All of the employers seem to blame the decline in industrial production on rigidities in management that hamper the competitiveness of our companies. This is partly true. However, in their efforts to expand, these companies meet with a social and political environment that is somewhat out of phase, compared to what is at stake at the moment. As a result management complains against costs of production that are too high for its taste in resuming production. For a long time company directors have made a reduction in the energy factor the keystone for redirecting their efforts in the face of existing competition. Meanwhile, for the latter to be

effective, they feel that they must have a less constricting tax package in order not to discourage investment. Therefore, they are waiting to see how far measures to stimulate the economy will go.

Regarding the agricultural sector, Diouf is satisfied with the increase in production (7 percent) and believes that he should undertake a grains policy that will henceforth be based on millet and corn. The standardization of rice production has certainly been positive, but it is inadequate to bring in substantial tax receipts. However, and in particular, the economic actions taken by Diouf are essentially indicative of his intentions and allow no time to gain any support from economic leaders.

Diouf has probably understood that the economy does not adjust itself very well to rhetoric.

*** Editorial on PS Need for Democracy, Input**
34190098b Dakar LE SOLEIL in French 6 Mar 89 p 1

[Editorial by Alioune Drame: "Pedagogy of the Break"]

[Text] The push toward renewal is on, and nothing will ever be the same in the Socialist Party [PS] as long as the flame lit by this year-end special congress continues to burn.

The winds of qualitative change that blew through it released a liberating mystique whose forces will respect no barriers.

The congress this weekend was, if anything, a congress of truth, judging by the scope of the issues discussed, the depth of analyses, high level of debate, militant passion of congressional delegates, seriousness of the work and vastness of the tasks completed in such a short span of time.

Confronted with urgent challenges requiring clear and immediate responses, the party, rediscovering the spirit of its historic mission, proved it was up to the task by proposing the necessary solutions in a coherent, motivating and mobilizing program of renewal.

No nook or cranny of the party was safe from scrutiny. The laser of systematic diagnosis penetrated everywhere, violating the most secret places to root out the slightest paralyzing mediocrity.

On the basis of the masterful report by General Secretary Abdou Diouf and pertinent contributions from the rank and file, the concepts of openness and renewal were dissected with precision and harmoniously inscribed into the overall strategy of the party.

Thanks to its two resources, the PS is now armed against the evils inherent in any leading party.

The party of the Senegalese masses, whose itinerary has blended with the history of Senegal over the past three decades, the Socialist Party is too tightly anchored, too present and too influential in the country to suddenly be an outsider because of a failure to perceive the consequences of socioeconomic changes which it planned, initiated and executed itself, within the framework of building its proposed society.

That is why we said that the Socialist Party still had enough potential to restore a sense of well-being and recreate a new and mobilizing dynamism. Nor were we wrong, for the congress was held and proved us right.

The results to which it led and that will henceforth provide a new approach and promote a new-type operation illustrate its natural ability to understand, grasp, interpret, and satisfy the deeper aspirations and legitimate concerns of the people. The disconcerting ease with which it achieved this synchronization with the mutational requirements upsetting its habits is the most tangible proof.

If such indispensable readjustments are successfully achieved, one may well think that the PS will no longer be the monster that sleeps between two deadlines but rather, the conquering, ever-vigilant eagle, unfolding its giant's wings.

To do so, it will have to achieve a faultless transition, constantly maintain the strong, militant tension created by the special congress and, finally, rigorously respect the innovative principles articulated around internal democracy and the basic word that presided over the plans for and work of the congress.

Among others, the great lesson administered by the PS through the fabric of its change is a real "pedagogy of the break." The outdated emblems of a lack of planning and inattention have been burned and for good.

Moreover, it is from this standpoint that one must analyze the measures relating to party organs. The anticipated political genius of the general secretary was not found wanting. Abdou Diouf was consistent with his own positions and, above all, with the spirit of the congress, which confirmed the absolute sovereignty of the rank and file.

Out of a concern for conformity with this unavoidable logic, the general secretary has chosen not to sacrifice the unanimously proclaimed effectiveness and will on the altar of the spectacular. The latter would consist of electing a new political bureau, which would at any rate be outdated in a matter of months.

The option chosen by the congress expresses an unfailing commitment and confirms resolutions made once and for all. It even has the additional advantage of further extending the PS' monopoly over the political terrain.

Because of this same concern for not being locked in but rather, going with the flow, it is important to plan for assemblies of vital importance on socialist youth, responsible participation, the women's movement, the Dakar region and the party press.

The scope and complexity of these questions could not be exhausted by one congress, but all members are convinced that the same winds of openness and renewal must also blow among the young, spearheads of the party. The same is true of the women's movement, an integral part of the PS.

In the meantime, however, we must consolidate the accomplishments of 5 March so that the fruit will respond to the promise of the flowers!

*** Media Reforms Short on Opposition Access**

34190200b Dakar SUD HEBDO in French 6 Apr 89 p 6

[Article by Cheikh Koume: "False Perspective"]

[Text] It is a blatant reality. The information delivered by radio, television, and the national daily LE SOLEIL does not fully reflect the public debate going on in Senegal. Worse, Senegalese are sometimes not informed of what is happening in their country. The latest example is the unverified information still making the rounds on the events within the Senegalese army. Falling back on old reflexes, the Senegalese have begun to tune into foreign radio stations to get more information. The informational vacuum on this affair has set the stage for rumors. But in Senegal there is more. There is a profound divorce between the image of multipartisan democracy that our country wants to project to international opinion and the authoritarian system of information that makes the state media government-controlled organs. The way Senegalese broadcasting functions differs very little from what one can find elsewhere in Africa under one-party regimes. These regimes are characterized by an omnipresent ruling party, most often indistinguishable from the state. Outside of election campaigns, access to airwaves is niggardly—or practically not—provided in Senegal, even for opposition parties with parliamentary representation. A blackout on opposition activities is the rule and political news on the radio, television, or in the SOLEIL is not nourished by any contradictory debate, such as is provided by round tables or face-to-face discussions. The government, fascinated by television and aware of its impact, has guaranteed itself exclusive control. Though it is true one cannot deny authorities the ability to be heard by the people, this prerogative must, nevertheless, not mean the appropriation of public information media by a single group or viewpoint in a country where at least one other opinion has been sanctioned by universal suffrage.

The question is whether the bills to be submitted by the government for approval by members of parliament, announced by President Abdou Diouf, will greatly alter the facts governing the present functioning of Senegalese

broadcasting. The enhancements planned do not seem very great to us. In his message, Abdou Diouf raises "the principle of the right of access to ORTS's (Senegalese Radio and Television Office) airwaves by legally constituted parties," after recognizing that "the practice of ORTS thus far allows them (political parties) to make themselves heard and to make their activities known." He also sets the limits of this principle, by stating "there is of course no question of establishing a climate of perpetual electoral campaigning in our country (...). The electoral campaign system, based on daily programs broadcast during time slots reserved for the parties, will not be extended." These few concessions, therefore, do not affect the essentials. The government in power, the state remains, as in the past, master of the game. The functioning and organization of the official media and the powers of tutelage and decisionmaking still fall within its jurisdiction. The status quo is unchanged, for even beyond the access of political parties to the media, diversified information reflecting different viewpoints cannot be ensured unless functioning of the media is freed from the too-great and paralyzing influence of the authorities, and unless journalists, who are both players and stakes in the system, are exempt from the prince's whims. But the reality of the situation is different.

The initiative does not lie with rank-and-file journalists, but with a hierarchy picked most often according to a partisan criterion, and thus beholden. The decisive step in democratizing Senegalese public broadcasting is unquestionably the gradual establishment of an independent authority. This authority must, at the same time, have the power to guarantee the independence and function of the public agency and the access of different political formations to official media. The national daily *LE SOLEIL*, financed with the nation's monies, should also not escape all regulation, so that all viewpoints can be expressed in its columns.

Otherwise, the suspicion in which official media are held will persist. And the government will have to meditate on the saying, full of good sense, of the former American President Dwight Eisenhower, who had great respect for freedom of the press: "I don't like the idea of something which depends on the integrity of men and not on the integrity of the institution."

*** Dissension in Opposition Parties Criticized**

34190217c Dakar WAL FADJRI in French
31 Mar 89 pp 6, 7

[Article by A. Camara: "I Love You; Neither Do I"]

[Text] "People of Senegal, the president is speaking to you." And at that point the "president" left the official stand to step up to the podium to speak to the approximately 100,000 people who had come very early in the afternoon of Sunday, 26 March, to the Place de la Mosquee de Niary Tally to hear him. Lifting his two arms to the sky with his fingers in the "V for Victory" sign, Abdoulaye Wade seemed to take very seriously this

title of "president" used earlier by the chairman of the meeting who introduced him. The entire ceremonial form was used. The music of "Sopi" [PDS slogan meaning change] was fervently listened to, and the crowd applauded its last notes and shouted "Sopi" to show its support.

However, Wade did not make his speech as chief of state. It was the national secretary general of the PDS [Senegalese Democratic Party] who was going to speak to the crowd of party members and supporters. It was here that all of Wade's finesse was to be found. He never called himself president because he knew, as a jurist, that he would automatically be in violation of the law. And since, among the crowd, no one probably expected him to make a single misstep in violation of the law for that he could legally be prosecuted, he did not give them the opportunity. He left it to his lieutenants (Boubacar Sall and Ousmane Ngom), to his political ally (Amath Dansokho du Pit), and to members of the PDS the task of calling him, "Mr President."

However, some people are beginning to question the validity of Wade's victory in the last presidential elections, a victory that made the leader of the PDS say that he is the president elect of the Senegalese people. Those who question his victory are included in the "Framework of Eight," which is made up of the MSD [Social Democratic Movement], the AND-JEF [Revolutionary Movement for a New Democracy], the OST [Workers Socialist Organization], the PAI [African Independence Party], the PLP [People's Liberation Party], the PPS [Senegalese People's Party], and the UDP [Union for a People's Democracy] [only seven organizations listed in text]. This doubt was expressed frankly by Prime Minister Maodo Mamadou Dia. At a meeting held on 25 March by the eight organizations in the same Place de Niary Tally, Mamadou Dia stated: "If he (editor's note: Abdoulaye Wade) really won the elections, why is he negotiating in secret? You do not negotiate with people whom you are calling on to resign. If Abdou Diouf had accepted the conditions presented for the dissolution of the National Assembly and the formation of a transitional government of national union, to whom would he (editor's note: Wade) owe his victory, if not to Jean Collin? Therefore, what difference is there between Abdou Diouf and Wade? We have to stop treating the people like a toy that you bring out into the streets to satisfy personal interests."

Landing Savane of AND-JEF could not prevent himself from asking: and then a government of transition toward what, for how long, and with whom? He spoke before Babacar Niang of the PLP remembered the events of December 1963. That is, the disorders following the elections contested by the PRA-Senegal [African Realignment Party-Senegal] in particular and that had given rise to a very serious political crisis in Senegal. President Senghor had provided a solution by the establishment in 1966 of a coalition government and the

fusion of the UPS [Senegalese Progressive Union] and the PRA. Babcar Niang asked himself: "Did that really change anything in our country's future?"

The course of the argument setting a part of the opposition against another part of the opposition was marked out from that point. People were waiting for Wade and his supporters to provide the right answer. Nor did Mbaye Diack of the LD [Democratic Liberation] party try to become involved in the tortuous paths of the argument. Only the PIT [Party for Independence and Labor] met the challenge, speaking through Amath Dansokho, its secretary general: "Then let us argue about it." He asked himself: "Who has conferred on Prime Minister Dia the role of a judge? By what right does he accuse us of being treasonable parties?" Then he continued: "Our only commitment is to serve this people and not to follow the fads of the moment or ghosts of the past. We are old soldiers (sic). We are on the front line. You have to look farther than the end of your nose if you think in particular of the interests of the millions of Senegalese instead of having a fixation on your own personality as a political leader. You do not have to take unilateral and simplistic action. And finally, we are not anarchists."

The silent reaction of the people throughout the speech of the PIT leader was like punishing a splintered opposition. A similar attitude was noted at the time of the speech by Prime Minister Dia. We might say that it was a warning to the leaders of the opposition, whom he reminded of their obligation to keep their differences, even basic differences, quiet and to devote their energy to fighting against "the principal contradiction," as the Marxists would say.

However, when some of them (such as "the Marxist avant-garde") wished to negotiate and others (the "non Marxists") said "no," it turned out that Senegal was on the wrong side, and the unity of the opposition was a "dream," to use the expression of Dansokho. In fact the political crisis is opening a conflict between the PS [Socialist Party] and the opposition in all of its shades of meaning, on the one hand, and part of the opposition (or "the significant opposition"), on the other hand, against the remaining part of this same opposition (called "insignificant"). This configuration of the political terrain had not previously been seen, to judge by the criticism made by both sides. The conflict has weakened the ranks of those working for change, who are now divided, to the exclusive benefit of the government.

*** Homes of Opposition Leaders Set On Fire**
34190201c Dakar SUD HEBDO in French
13 Apr 89 p 3

[Article by H. Ba]

[Text] The death threats made recently against leaders of the liberal-communist alliance (Abdoulaye Wade, Amath Dansokho, and Abdoulaye Bathily) will henceforth be taken seriously. In any case, various attempts to burn their homes have been reported in recent days, those concerned have stated.

It all began on the night of Thursday, 6 April 1989. Individuals who have not as yet been identified scaled the wall around the home of Amath Dansokho and reached the bedroom windows on the second floor. They succeeded in ripping the outer screen, but could not get into the room, since Mrs Dansokho had remained awake because her son was sick. Immediately after this first frustrated attempt, they tried to gain entry through the living room, where friends of the family who were there to help guarantee the safety of the premises were sleeping. The intruders left without doing any damage.

According to Mr Amath Dansokho, a second attempt was made on Saturday night, 9 April. At 2:30 am (on Sunday morning, 10 April), someone poured gasoline into the window and set fire to it. Neighbors saw the flames and the blaze was quickly put out with sand. The police, who had been called, arrived at the site a few minutes later and reported the situation. During the early morning hours on the same date (3:25 am), some individuals (the same?) arrived at the home of Mr Abdoulaye Wade in an automobile, armed with Molotov cocktails, and intending to attack his home. On seeing the "blue caps" (security service of the PDS [Senegalese Democratic Party]), they hastily tossed a bottle on the pavement, where it broke and exploded. Troubling questions arise. What is being sought through these actions? Are they isolated and spontaneous undertakings, or operations planned for unthinkable purposes? Although for the time being it is difficult to answer these questions, it is clear that vigorous action is needed to stop these threats before irreparable damage is done.

*** Presidential Proposals Lack Support Base**
34190201a Dakar SUD HEBDO in French 6 Apr 89 p 1

[Editorial by Babacar Toure: "Partisan Logic"]

[Text] While the message the chief of state sent to the nation had a number of positive elements thus representing progress on the problems discussed, major reservations are in order in terms of its goal and its effectiveness. First of all, in form, it seemingly did justice to the nature and the depth of the political crisis. But following the failure of the national roundtable and the paralysis in the talks between an opposition party headed by Mr Wade and the government, is it timely for him to take upon himself such basic measures, without reaching agreement with those they will principally affect?

In a normal situation, one could without a doubt adjust to a voluntarist step taken by the state with regard to the collectives and institutions, such as the political parties or the trade unions. Except that in the present context, the state is perceived by an increasing number of the citizens not as reflecting the compromise between the contradictory interests of the majority, but above all, as the hegemonic tool of a single social stratum. The conclusion to which this interpretive observation leads is that there is a need for reorganization of the state. Which, in the case of Senegal, means removing it from

the colonial clutches of the Socialist Party (PS), which has lived off it parasitically for what will soon be 30 years. The intention of the chief of state cannot fail to bear the mark of his political training, and this is the reason a large part of the public has difficulty in understanding it other than from a single, indeed partisan, angle. This logic is the more evident to the minds of the people because this proposal of a charter by a single party would, to paraphrase Chateaubriand, have the disadvantage of being given as a grant. The undesirable aspect in the case of Senegal would be that it would be imposed, even upon the very man who had the idea originally, that is to say Mr Wade. For no one doubts that, unless there is a turnabout on the part of the chief of state himself, the 3 April proposals will be rubber stamped by the Chamber, with its PS majority. Without being defeatist, it would be perfectly logical to expect the scope of certain measures to be offset by the form and the conditions of their birth. This is the case with the false problems of access to the state-controlled media. The chief of state has no reason to interfere in the organization of radio and television discussions, even promising (the supreme aberration) to promulgate a decree in this connection. What is at stake is indeed the real democratization of public and social life and the development of an environment characterized by freedom and initiative for the journalists working for the state-controlled media. Journalists' professional ethics and sense of responsibility will be measured in terms of their professional practice, assessed and rewarded by the public and by the proper tools for control and regulation based on a Senegalese formula (such as a Higher Audio-Visual Council or a High Authority, etc.).

The appeal to the teachers is also likely to dissolve into hostile reactions provoked by the shock of wage cuts and the threat of dismissals, which have come just at the time when the unions of teachers in higher education have evidenced flexibility and goodwill, proposing a plan to deal with the crisis that provides a veritable basis for the resumption of negotiations, a new anchor point for renewed talks.

The practical work of the teachers has come up against the inertia of matter. The whole of the position set forth by the chief of state in a tone of inevitable fatalism can be summarized as follows: The state cannot do more without endangering the unstable economic balances, and so the choice is to submit or resign. Since the first of these two choices is almost impossible for the teachers, the worst is to be feared for our educational system, followed by chain reactions that could paralyze the other levels of education. After the wage freeze, will dismissals be next? What will the assembly of the university do? Its autonomy, forever trampled underfoot, is likely to be invoked for the drafting of "solutions," with the majority of the teachers and students being excluded. If we may still be allowed to dream, what the chief of state said should serve as a basis for debate, as his contribution along the path of discussion and agreement, and not as an institutional framework to be promulgated.

With the perils mounting, there is still time to react. Senegal is in danger. To bring about its recovery, broad discussion, a search for compromise and mutual concessions, and an effort to make the relations among the various social and political protagonists more civilized are the only rules, the only force that should be employed. In these times of uncertainty, confusion, and anguish, the victory of one camp over another, on either the political or the trade-union front, is neither possible nor desirable, so true it is that this victory would be a Pyrrhic one.

The era of instability and chaos this would inaugurate would be beyond any comparison with the situation now, which may dictate that we should remain in the trenches. Will we, then, let the ship be scuttled?

*** Wade's Rhetoric May Incite Crowd Unrest**
34190194a Dakar SUD HEBDO in French
16 Mar 89 pp 4, 5

[Article by Moussa Paye]

[Text] A year has passed, and the course of our political history is still mired in parallel monologues that trap the various parties in a quest for hegemony instead of consensus. Last Tuesday Dakar again gave off an atmosphere of passion and fever, although we thought the book had been closed on the February 1988 elections. However, the Socialist Party Congress's stand for reform and opening of the political spectrum, punctuated by the return of the opposition leader, Mr Abdoulaye Wade, lifted hopes.

Yet the opposition judiciously proceeded to make haste slowly since the president, keeping the promise of his famous appeal at the end of Ramadan "to the leader of the parliamentary opposition," was making his most daring bid to recapture the reins of his party by dismissing some of the major figures behind the electoral campaign. The criticism they had received from within the party concerning misuse of campaign funds and their responsibility in the failure of the famous national round table branded them as sacrificial lambs on the altar of party reform and national consensus. The chief of state could go no further without raising questions about his own legitimacy. As party leader, he could do no less without affecting his authority. The first onslaught in the wave of reform and political opening that he supported at the Congress in July made the counterblow from within the party necessarily conspiratorial. It was so much so that the chief of state committed himself personally in a very significant statement in his message at the opening of the school year last October, when he expressed regret for the failure of the round table: "Nothing and no one will sidetrack me from this objective: the reticence of some no more than the defiance and scepticism of others."

Abdou Diouf won the opening round against the first group. Abdoulaye Wade, returning at an opportune time, had the bad taste to take offense at it at his first public meeting last Saturday, adding at the end of his list of grievances against the party in power: "I might have added, if I did not want to avoid interfering in the affairs of the other party, the antidemocratic practices even within the Socialist Party that led to a genuine coup d'etat and a power grab inside the party by the team of Diouf and Collin."

By this unflattering evaluation of Diouf's efforts to make dialogue with the opposition possible, the leader of the PDS [Senegalese Democratic Party] gave an uncompromising tone to his first public address. At the same time, he gave an unexpected meaning to his return to the country. Observers were taken by surprise to see Mr Abdoulaye Wade arrive under the auspices of a demand for victory in the last elections, eliminating right away any room for negotiation. We recall immediately the date set last October for a return that caused social tension through a strike by SUTSAS [Single Union of Health and Welfare Workers] and a difficult start of the school year. The government defused both crises by negotiation. It was one more aborted rendezvous for Wade.

The detente in the wake of the congress and the subsequent return of the opposition leader gave many citizens the feeling that Abdoulaye Wade was now in a position to impose a tone of coherent debate and a sharing of power. The new, ongoing university crisis seems instead to inspire a temptation that everyone should fear, given the context. Vocabulary unpleasantly reminiscent of civil war is erupting: "The PIT [Party for Independence and Labor] and the LD/MPT [Democratic League—Movement for the Labor Party] authorize me to tell you we are studying right now, so as to bring it about quickly, complete coordination of all social forces, and as soon as possible we will begin consultations with the people's organizations, the country's associations and groups."

Fortunately the PDS leader added shortly thereafter with disconcerting assurance: "In spite of all my strength, I remain open to dialogue. My ideology rules out violence." Mr Wade and the opposition should apply this stance to the harmful impact of political diatribe, intellectually violent by its very nature for certain categories of our population, especially the youth that is so severely afflicted by unemployment and a future without prospects. Its disobedience to Wade's slogans of appeasement last Tuesday evening shows how spontaneous the strategy is of these groups who take to the streets. It shows how easily such disorder can get out of control.

This is so, first of all, because none of the parties recognized in the Senegalese constitution has included popular insurrection in its platform, and rightly so. Another cause is that, by design, none of these parties controls any of the people's organizations totally. Thus,

although various parties have taken their demands into account, no union or other organization has thrown its support to the PDS and even less to the PIT or the LD/MPT.

Yet another reason is that the solution to our social ills requires a rejection of the methods and solutions of the IMF. In this area, even the timid protests of the CNTS [National Confederation of Senegalese Workers] are a step ahead of the position of Mr Abdoulaye Wade, who has defined himself unambiguously as "an economist from what is called the neoclassical school," for whom "structural adjustment and overall macroeconomic equilibrium resulting from equilibrium among the major economic aggregates is the point of departure for every functioning economy."

Political organizations with the interests of the people at heart should see that a polemic centered on the greed of the state apparatus makes them suspect in the long run. The imperative right now is to subdue power in itself. If a government of national union is to be, its constitution should reflect the immediate need for sacrifices to be agreed to by the new team, a reduced state lifestyle, and the establishment of investigating commissions to recoup public funds diverted by politicians and other so-called civil servants.

If, in the absence of genuine dialogue, the opposition and the state were to abandon the streets to vandalism, a goodly number of the people who find themselves daily in the crossfire while going to work or market will quickly tire of these endless cycles of instability. They will start to long for law and order. Some politicians, whom the aura of Senghor shows how soon the masses forget their past aversion, will be surprised at how sweet the memory is of the imperfect democracy of days gone by and the opportunity for widening the political spectrum that we hope is not a sham.

*** Structural Adjustment Brings Aid, Discontent**
34190197a Paris *JEUNE AFRIQUE ECONOMIE* in
French Mar 89 pp 82-85

[Article by Mamadou Alpha Barry: "An Effective But Bitter Pill"; first paragraph is *JEUNE AFRIQUE ECONOMIE* introduction]

[Text] Draconian economic measures are enabling us to hope to see the light at the end of the tunnel...in 5 years. It is impossible to fail to loosen the vise of austerity without taking serious political risks.

"Without a recovery program, we're headed for suicide." This disturbing remark made by President Abdou Diouf at the height of the social disturbances that rocked Senegal in March 1988 speaks volumes about the gravity of the economic situation the country is experiencing. For 10 years Senegal has been applying a strict austerity cure with the support of the IMF. Certain major financial balances have been reestablished. Economic growth

is once again positive. And inflation is apparently under control. But what does this mean for the Senegalese? Has their daily life improved for all this?

At the turn of the past decade, Senegal entered on a serious economic and financial crisis. This situation was, to be sure, largely the result of external factors over which the Dakar government had no control: drought, the sudden rise in the price of imported oil, a worsening of trade conditions. But in addition to these reasons, there were the pernicious effects of unsuitable economic policy measures.

Price of an Expansionist Policy

Throughout the 1970's the Senegalese Government pursued an expansionist policy, as Jean-Claude Brou, an IMF expert, pointed out in a recent study. In resorting to formidable domestic and foreign indebtedness, Senegal was living far beyond its means. This is how the consumption expenses of the state and of households ended up exceeding the GDP [gross domestic product] so that national savings showed a negative balance. The creation of an overgrown public enterprise sector financed by burdensome loans led to a budget deficit representing 8.8 percent of the GDP during fiscal year 1982-1983. During the same period domestic credit grew at the rate of 17 percent a year. The balance-of-payments deficit attained unfathomable depths: 202 million SDR [special drawing rights?] (the equivalent in 1982-1983 dollars), or 21.7 percent of the GDP.

Alerted by the warning lights that were flashing practically all over the dashboard of the Senegalese economy, as of 1979 the government launched the first short-term stabilization plan. The results were not to be particularly encouraging. We had to wait until 1985 to see more serious reforms go into effect with the launching of the Mid and Long-Term Adjustment Program (PAMLT) for 1985-1992.

This series of draconian measures provided for the partial privatization of the public sector, a decrease in state participation in agriculture through the implementation of the "new farm policy" (NPA) in 1984, and an improvement in industry's competitiveness with the "new industrial policy" (NPI) in 1986.

Sliding triennial investment programs have been established. The first of them, which is to cover the fiscal period from 1987-1988 to 1989-1990, was launched in July 1987 for a total amount of 383 billion CFA francs. It concerns high-yield investment projects and infrastructure overhaul operations. Nearly a third of the investment expenditures are destined for the primary sector, as Jean-Claude Brou again noted.

Efforts aimed at making the tax system more efficient and at recovering back taxes enabled the government to increase budget receipts by about 10 percent between 1983 and 1987. Accompanied by a reorganization of the

Internal Revenue Service, a new customs code adopted in December 1987 has quite a bit to do with this achievement. The vigorous policy of limiting public expenditures was not long in producing results: The national budget increased by only 3 percent a year between 1983 and 1987, a net drop in real terms when we consider the rate at which prices rose. Wages were controlled by wage freezes and strict limits placed on promotions in the Civil Service.

Tangible Results of Structural Adjustment

The relaxation of strains on the budget then made it possible to soft-pedal domestic credit. Its annual rate of increase dropped from 17.8 percent in 1983 to 1.3 percent in 1988. This slackening of pace can essentially be explained as being due to a reduction in bank loans to businessmen, with the exception of farm credit. Under the pressure of the situation, measures for the restructuring of the banking system were instituted. Starting with 1985, the BIAO [International Bank for West Africa], the Union of Senegalese Banks, and the Commercial Bank of Senegal have effected painful reductions in personnel. Three other institutions: the National Development Bank, the SONABANQUE [National Bank Company], and the SOFISEDIT [Senegalese Financial Company for the Development of Industry and Tourism], are to merge.

The structural adjustment policy has produced tangible results in Senegal. After the 1982-1984 recession caused by a severe drought, in 1985 the economy began to grow again at the rate of 4 percent in real terms, a product increase of 1 percent a year per capita.

But no doubt the chief advantage of the structural adjustment policy has been to have made possible an exceptional mobilization of foreign financial resources: Senegal has received 842 million SDR in the form of gifts and 1.3 billion SDR disbursed in mid- and long-term loans since 1984. Taking into account regraduations of foreign debt payments and the net flow of foreign capital, the overall balance of foreign payments has shown a surplus since 1987. "The short- and mid-term approaches of the IMF and the World Bank are limited to reestablishing the big economic and financial combines to the detriment of growth," a European expert asserted. In actual fact, the structural adjustment policy is accompanied by pernicious effects that especially hurt the most underprivileged social classes. If the Senegalese economy was able to withstand the buffeting of the recession, it is thanks especially to "the enormous sacrifices the [different ethnic] populations have continued to accept, they who have accepted, without flinching, the hardships of the crisis: wage freezes, price hikes, unemployment, and reductions in force in the companies," as the national daily LE SOLEIL wrote on 2 January 1989.

To extinguish the flare-up of violence that had spread to the populous sections of town and even into downtown Dakar in February 1988, President Abdou Diouf had to loosen the vise of austerity. Staple food prices were reduced: Rice went from 160 CFA francs a kilogram to 130 CFA francs, sugar from 375 to 340, and peanut oil from 400 to 350.

It is indisputable that Senegal must, with or without the IMF and the World Bank, pursue its structural adjustment policy. But the experts agree in saying that it will not see the light at the end of the tunnel for at least another 5 years. To get wage earners to swallow this bitter pill, it has become indispensable for the reform program to include a "social dimension of adjustment." Without this, the fragile advances that have been made risk being reduced to nothing.

*** Parties Must Explain Differences With PDS**

34190194c Dakar WAL FADJRI in French
17 Mar 89 p 11

[Article by Malick Fall; first paragraph is WAL FADJRI introduction]

[Text] Abdoulaye Wade is not the only opposition in Senegal, but he is the one drawing all the attention. Now it seems the forces on the left need to have a "Sopi" [a PDS slogan meaning change] in their relations. It would clarify things.

The national political situation has never been so polarized as this week. A newcomer to our country would see only one opposition party in Senegal, the Senegalese Democratic Party (PDS), and especially its leader, Abdoulaye Wade. With Lamine Diack, even though he had second thoughts, we must recognize this situation is "unhealthy." Sheerly by his presence on Senegalese soil, Wade brutally speeded things up politically. The 15 other opposition parties seemed to have been practicing a wait and see stance, even though most of them had held meetings here and there to mobilize their regulars.

Wade is incontestably the catalyst of Sopi, but that does not explain everything. Some are manifestly against the orders of the PDS leader. An example is the reaction of Premier Maodo Mamadou Dia, chief of the FNP [People's National Front], to whom Wade's latest slogans represent "a dangerous game which we should stop." According to him, "The irrepressible desire for change is being abused and diverted to political purposes." This is certainly the harshest criticism of Wade ever made by the Front and by President Dia, who once recognized that "Wade was elected by the people."

If the mobilization of the masses seems to be a tool held by Abdoulaye Wade alone, it is because the other opposition parties have been content until now to sit back and watch. Even allies of the PDS like the PIT [Party for Independence and Labor] and the LD/MPT [Democratic

League—Movement for the Labor Party], whose leaders are avowed politicians, seem to be caught up in a current where they often lack any control.

Present Alliances

Pushing the analysis further, how can the Marxist parties handle the variations in Wade's speeches over time? With no debts to pay, Wade peppers his speeches with immoderate slogans to pressure the government relentlessly.

The PIT and the LD certainly have valid reasons for explaining their positions. However, we think the time is ripe now for a qualitative leap. Those within the sphere of Sopi should from now on recognize the PDS leader as the chief of the opposition whose positions bind all parties. Because there is no organic connection, even among the three allies, Wade can act as he wishes while invoking his party's sovereignty. It is a sovereignty that permits him today to control a movement that, as everyone knows, adheres to "Sopi" without being completely at the heart of the PDS.

Abdoulaye Wade knows that his Communist allies, as things stand now with the PDS, cannot, for tactical reasons, swim against his positions. They link up with and back him until he talks about the providential man who can resolve economic problems with the magic of structural adjustment. They should remember the principal of negotiating with the PS [Socialist Party] only on the basis of a program and not on a personality.

Without renouncing its present alliances or distancing itself from the movement for change, the Senegalese left must nevertheless stake out its principles or agree publicly to give Mr Wade a blank check. Mr Wade's popularity is undeniable. The strength of Sopi proves it. But the false dialogue between the PDS and the government that ebbs or flows according to the whims of Mr Jean Collin or Wade, should not conceal the possibilities for dialogue that exist elsewhere.

Some political parties, including the PIT and the LD, do hold distinct positions, but no one remembers them very well. Abdoulaye Wade is everywhere, focusing everyone on himself and his party. If the others saw this reality, the game would make much more sense for everyone. The government, the opposition, and also the people.

*** Wade Strategy: Isolate PS, Early Elections**

Dakar SUD HEBDO in French 16 Mar 89 pp 4, 5

[Article by Sidy Gaye]

[Text] Mr Abdoulaye Wade's political coup was not heaven-sent. Although it may reduce his own credibility or his real or supposed influence over the thousands of Senegalese who flock to each of his public appearances, 14 March was one more step in a power conquest strategy, probably developed over a long time, and

methodically implemented at each turn since the return of the national secretary general of the Senegalese Democratic Party (PDS) to the country last March.

Briefly, this strategy consists of isolating and discrediting the socialist government, building the image of an alternative candidate, and waiting to profit from the possible early elections. Deciphering the communiques published by the PDS's national leadership on 14 March, and carefully rereading the various statements by Mr Wade since his return, all shed light on the tactics employed to date.

Incontestably, the most significant ingredients of this attempt to isolate the government are found on 14 March. Conscious of the vacuum the recent Extraordinary Congress created around the secretary general of the Socialist Party (PS), Mr Abdoulaye Wade tried all during the afternoon of 14 March to legitimate (without convincing proof) the idea (or his personal conviction) that the Collin-Diouf duo had now decided to dissolve the National Assembly and the present government; that is, to dispatch their own deputies and ministers after having eliminated the leadership of the PS. "There was consensus on this question," he told the journalists at his doors. "The only disputes concern the practical means of this dissolution," he continued. It is enough to imagine the confusion and real disarray such a move would wreak on the PS political class (including the government), already considerably shaken by the outcome of the recent congress, to gauge the political gain expected by the leader of the PDS.

The second arm of Wade's strategy is more closely linked with his normal strategy of discrediting the socialist government in the hope of undermining it and forcing its resignation.

The PDS secretary general, whose election propaganda revolved around this strategy, (Mr Forage and Mrs Moulin...) has shifted into high gear since the windfall of his lawsuit strongly confirmed his extraordinary influence among the people.

His appeals from Paris for national mourning in memory of 28 February 1988, his thunderous return on 8 March, his meeting at Niary Tally, and this appeal for a revolving door for Abdou Diouf amount to just so many opportunities for him to ridicule the government. He keeps on holding it up for derision, dangling it dangerously before the masses, where some fatal outburst can cost the government politically.

With his adversaries now under recurring public pressure, Wade knows how to chip away at the government as well as public authority. He knows how to cultivate among the Senegalese, as well as among foreign supporters and observers, the impression of an ungoverned country left to itself and plunged into chaos. It might be asked if he is winking at the army. Heaven forbid!

Here Mr Wade slips into the third and last prong of his strategy, proclaimed implicitly since his return from Paris: positioning himself subtly as the reform candidate and as a messiah, reflected in his new political tone at Niary Tally. Again sounding like a campaigner, but on a clearly more consensual and responsible note this time, the PDS secretary general forgot for a moment his populist proposals (lowering the price of rice, reducing unemployment, etc.) and turned in his speech more to reassuring the traditional Senegalese supporters and bankrollers. Among similar statements, he conceded to the IMF and the World Bank that adjustment is an indispensable process. But since this is my specialty, leave it to me to choose how to go about it.

If this three-pronged strategy has its own internal logic (strictly power seeking), it does not at present guarantee an improved standard of living for all. The chronic instability that Mr Wade seems to want to support, that is, foment in the country, penalizes first of all his most ardent defenders who would be unable to benefit from possible adventurist solutions.

That is the danger in the recent statements of a leader who, for all that he is a formidable strategist, does not give the respect due the thousands of Senegalese who have placed their hope in him.

He must not rate the discernment capacity of the Senegalese people very highly if he hopes by just one stroke to manipulate public opinion in such a risky way as on the fantastic 14 March.

Late in the afternoon, Mr Wade had found nothing better with which to take leave of the press than to tell them peremptorily: "You know I am a politician. Your analyses are not mine." OK. That is his right.

But one right neither he nor any other politician can have is the freedom to toy with the Senegalese people while keeping his image intact.

Questions of survival are pelting the whole country collectively. If the politicians have no sense of their historical responsibilities or do not shoulder them seriously, the people who face these responsibilities daily must take them over totally and bodily. Enough is enough!

*** Pro-Export Policy Closes Some Factories**
34190197c Paris JEUNE AFRIQUE ECONOMIE
in French Mar 89 p 88

[Article by Barthelemy Dioh: "Restructuring Industrial Fabric"; first paragraph is JEUNE AFRIQUE ECONOMIE introduction]

[Text] The liberalization of imports has been a double-edged sword. To absorb the shock, some companies have had no choice but to lay off some of their personnel.

"We were promised an improvement in our business firms' ability to compete, but nothing of the sort has happened up to now. Worse yet, some companies have gone downhill." This observation by the head of a company is without a doubt representative of the climate of gloom that marks the industrial fabric of Senegal today, 3 years after the adoption of the "new industrial policy" (NPI).

This sector alone contributes over 20 percent of the GDP [gross domestic product], a fact that has always conferred on it a prime position in the country's economic policy. Thus, right from the first few years the government established a protectionist policy. It was later judged to be excessive when a wind of liberalism was blowing practically everywhere in Africa in connection with structural adjustment programs.

In February 1986 the NPI was presented, with a triple objective: to improve Senegalese industry's competitiveness on domestic and foreign markets; to modify the structure of the industrial product through the creation of better elaborated conversion industries, incorporating more added value into them; and to pursue diversification of the industrial fabric, particularly in the regions. Theoretically, the measures adopted through the operational plan for industry were supposed to permit more effective protection of local industry, promote exports, and revitalize the methods for promoting investments. But actually, the liberalization of the import market and the effects of the drop in import duties are tantamount to a double-edged sword.

For, while industrial firms are seeing the cost of imported raw materials drop, they are, for the same reason, being exposed to international competition as concerns finished products sold on the local market. The example of Bata's Senegalese affiliate is edifying: After 50 years of existence in Senegal, the manufacturer of shoes had to close down its factory.

Also, to absorb the shock they have suffered due to the decline in their operations, some firms have had no choice but to lay off some of their personnel. This is why the Senegalese Government has just announced the creation of a restructuring fund credited with an initial contribution of 25 million SDR [special drawing rights] (about 9.7 billion CFA francs) by the World Bank, as a concession.

Subsidies to Firms in Trouble

This loan will serve to restructure industrial firms which, because of their structural flaws, are having trouble in achieving the drive demanded by the NPI.

It must, however, be noted that, to benefit from such loans, any applicant will have to meet specific requirements. The reports submitted by the BCEAO's [Central

Bank of the West African States] national agency in its capacity of executive secretary of the advisory committee will be studied in conjunction with the approved banks.

Likewise, the "deflated ones" in the Civil Service and the private sector might try to obtain these loans by going through the Delegation for Integration, Reintegration, and Employment.

But will these measures in time reduce the number of companies threatened with shutdowns?

*** Privatization Slowed by Investor Hesitation**

*** Strategy Assessed**

34190197b Paris JEUNE AFRIQUE ECONOMIE
in French Mar 89 pp 86-87

[Article by Barthelemy Dioh: "It's Time to Go From Words to Deeds"; first paragraph is JEUNE AFRIQUE ECONOMIE introduction]

[Text] Decided on in 1987, privatization was a sizable innovation. But investors are responding coolly to President Abdou Diouf's realistic and voluntary policy.

The Senegalese National Assembly passed the privatization law 19 months ago. In early 1988 President Abdou Diouf issued the executive orders for application of the law, setting the terms of calls for competitive bids on the transfer of shares of the companies to be privatized that are held by the state. It was a sizable innovation. Since, having been omnipresent in the various sectors of the national economy, the entrepreneur state thus decided to partially or totally disengage itself from 26 public or mixed economy companies in which it held shares.

Today, despite the efforts expended and the means implemented by the government, the fact is: The operation has not yet achieved the hoped-for objectives. This is to such an extent true that on 5 January 1989 the chief of state had to preside at an interministerial council during which there was much discussion concerning realism and pragmatism.

Regarding the ministries involved, the Parastatal Sector Reform Delegation, headed by Tijane Sylla, was asked "to take all the necessary steps to accelerate, under the best possible conditions, the publicity campaign involving the seven companies that are to be offered for sale as a test" and, better yet, to very quickly succeed in effectively putting up for sale the stock of at least three of these companies.

The meeting the delegate for parapublic sector reform had last 20 January in Paris with representatives of institutions and companies must no doubt be viewed in this context. His objective was to arouse interest among these potential investors to take over shares in a certain number of companies belonging to the Senegalese state.

Strategy Must Become More Aggressive

After the first test operation of the privatization program represented by the call for bids for the sale of the New Sine Saloum Salt Marshes Company (SNSSS), it is time to institute a more realistic and aggressive strategy. For the Parapublic Sector Reform Delegation, it is, as Tijane Sylla stated, first of all a question of "tuning in to the messages voiced by potential buyers during this operation." As several potential investors wished they would, they are beginning with certain aspects of the law and executive orders for its application that will serve as a legal framework for privatizations.

Since one of the objectives is to change the operating rules for the national economy thanks to the redemption of state shares by individuals or corporations, the text of the law specifies that priority be extended to Senegalese nationals as concerns the purchase of these assets. Even though the law stipulates that shares not applied for by Senegalese nationals may be sold to any other person after a specified period of time, it is, nevertheless, the minister of economy and finance who, by decree, establishes the percentage of shares reserved for nationals. Under these circumstances, some investors complain, "the rules of the market game will be somewhat bent, at least during the initial phase."

Likewise, the Sine Saloum Salt Marshes test operation has revealed that the minimum and maximum numbers of shares that had been established by the state were not acceptable to the candidates for redemption. Moreover, as Tijane Sylla reported, "some of the latter did not conceal their refusal to submit bids quite simply because they did not understand why the state, which held 49 percent of the capital stock of Sine Saloum Salt Marshes, should only be willing to dispose of 24 percent."

The problem was resolved since the state decided to totally disengage itself from the company. But that's not all. Indeed, in view of the diffidence displayed by the potential candidates for repurchase up to now, the Senegalese Government is sanctioning the constitution of organizations for the collective management of stocks and bonds. Specifically, such an initiative could mean the establishment of a secondary stock market that would permit holders of state shares to trade, transfer, or redeem them. We must think of it, for example, as the creation of "an investment company, a holding company, managed by private individuals who would jointly hold shares transferred at the state ministerial level and the shares of private companies," Tijane Sylla declared. Thus, instead of being direct shareholders in a public company, these investors will have a portfolio of diversified shares.

There is still, of course, the state's domestic debt to the companies, which may prove to be another source of financing. For this purpose, the delegate for parapublic sector reform wondered whether these claims might not be converted into shares in state companies. Here too, a

concerted action might be contemplated: Instead of individually converting their claims into shares, these corporations or individuals could join forces in an investment company whose capital would consist of the contributions of the claims they hold.

This solution is an interesting one. It would secure the investments of private individuals who would find it difficult to enter into a venture whose profitability is not ultimately guaranteed.

Privatization, an Instrument of Development

Another point of interest: In both cases the holding company can then resort to foreign financing of the IFC (International Finance Corporation) or SIFIDA (SIFIDA Investment Company) type, which at that point enables it to find new money for the purpose of improving the repurchased companies and benefiting from technical assistance contracts. On the international scale, other solutions, like the debt investment swap (conversion of debts, exempt from debt reserve requirements, into new investments), are not excluded.

However, even if in the plans that have been described "privatization becomes an instrument of development," as Tijane Sylla leads us to understand, no one can ignore the fact that, as voluntary as it may be, this new strategy risks being slowed down by the constraints inherent in local realities and the crisis Senegal is caught up in.

* Reform Delegate Interviewed

34190197b Paris JEUNE AFRIQUE ECONOMIE
in French Mar 89 p 87

[Interview with Parapublic Sector Reform delegate Tijane Sylla by Barthelemy Dioh: "Tijane Sylla: 'Savings Program May Be a Solution'"; date and place not given]

[Text] JEUNE AFRIQUE ECONOMIE (JAE): Many people were waiting for the first privatization program operation, in this case the sale of the New Sine Saloum Salt Marshes Company. What exactly is it?

[Sylla] When we issued the call for bids, 11 potential investors withdrew their applications. A month later, on the date set for the unsealing of the bids, we had received no offers. Later, we received two applications. But the deadline had passed.

[JAE] Don't you really think that a deadline of 30 days is much too short for an operation of this size?

[Sylla] No doubt. That's a point we certainly ought to reconsider when we issue the next call for bids.

[JAE] Are you thinking of adopting other measures?

[Sylla] You know as well as I that, as concerns privatization, Senegal finds itself in an entirely new area, like other African countries. After this first operation, we're

going to learn the necessary lessons taking into account the observations of all the parties concerned. In the case of Sine Saloum Salt Marshes, the candidates for repurchase found transfer costs to be rather high in relation to development of the company's profitability. Actually, the company had recently been performing very well until the day it was subjected to competition by the Lake Retba Saltworks, which had been encouraged and strengthened by intermediaries. The argument was a simple one for potential investors: "If the state as a shareholder did not see to it that Retba Saltworks respected the tonnage it was authorized, we don't very well see how it could do so once it has sold its shares to the private sector." We took note of the fact and a commission headed by the minister of environmental protection has already drafted a report with this in mind.

[JAE] Have you given some consideration to tax incentives likely to encourage Senegalese to redeem shares?

[Sylla] The Parapublic Sector Reform Delegation has already formulated a certain number of proposals, which we discussed beforehand with the National Employers Council and Senegalese economic groups. I can also tell you that we are to meet with officials of the Ministry of Economy and Finance soon.

In some countries a program to encourage savings through tax deductions is favored. I think that Senegal ought to propose solutions of this nature. They will have to, of course, be adapted to our environment and our realities.

Sierra Leone

Momoh Lifts State of Economic Emergency
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[Text] After 17 months of increasingly severe economic conditions in Sierra Leone, President Momoh has ended the state of economic emergency introduced to deal with that very problem. In recent weeks, the government

seems to have bitten the bullet with a couple of hefty devaluations, and the president is now promising to bring in a team of advisers to help plan Sierra Leone's economic policies. From Freetown, Khaliu Kamara tel-exed this report:

[Begin studio announcer recording] President Momoh, in passing judgment on the economic emergency, said: The results of the exercise have been very mixed. He said it seemed the only benefit in real terms to the economy of emergency, the legality of which is even challenged in the Supreme Court, is, and I quote: We have learned certain lessons from the experience which will be of much use in the implementation of the new economic package. President Momoh was given a standing ovation at the end of the hour-long address in which he dealt with the realities of the Sierra Leone economic predicament. He declared: Times are hard; now people are groaning under the current severe economic strains and they are looking up to us to ease the strains without delay. He went on: From now on, we must cut our coat according to our cloth. The now defunct economic emergency measures will be replaced by the brand new regulations which, he had promised in his Independence Day broadcast, would be worked out by a committee of experts. President Momoh said that the committee has now concluded its work and that its deliberations would largely constitute the basis of this year's budget statement.

On relationship with the IMF, the president said that his government had found it difficult to reach agreement with the Fund because, as he put it, normal procedures of budgetary and financial control have been finally eroded. In the process, he went on, our credibility as a nation has suffered adversely.

President Momoh had some harsh words for civil servants and cabinet ministers. He said the government policies had been left unimplemented because of the attitude of civil servants. He warned that he would from now on set up an office at State House to monitor cabinet ministers and the implementation of government policies. [end recording]

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